



Minnesota Social Service Association

2012 Public Policy Agenda

A circular arrangement of five paper cutouts of human figures in various colors (tan, orange, black, brown, and grey) holding hands, symbolizing unity and community.

YOUUnited

One purpose, one mission, one voice

WWW.MNSSA.ORG



Honorable Members of the Minnesota House and Senate,

MSSA is one of the oldest and largest member-run public interest groups in Minnesota. It was founded in 1893 as the Conference of Charities and Corrections.

We represent every aspect of the human service profession with approximately 3300 individual members and 160 human service agencies (and their staff) in Minnesota. This includes county and private agency social service directors, social workers, financial workers, child support officers, Department of Human Service professionals, foster parents, and county commissioners. Our members serve children, seniors, the disabled, and any individual or family in need. We help people become self-sufficient and protect vulnerable populations from harm.

Each year MSSA members rigorously debate legislative proposals brought to them from regions across Minnesota and decide on which of the proposals to include in the MSSA Legislative Agenda. This year, our Delegate Assembly adopted fifteen General Policy Statements and sixty-two Legislative Proposals for our MSSA 2012 Public Policy Agenda. **MSSA's Legislative Council established our number one General Policy Statement, ensuring adequate state funding for health and human services, as our top priority this session.** In addition, throughout our Agenda you will find several proposals with cost savings.

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MSSA's 2012 General Policy Statements (1–15)

1. ENSURE STATE AID FOR HEALTH AND HUMAN SERVICES

Executive Summary

State and federal funding sources for health and human services must be preserved, new funding options explored and previous massive cuts restored. MSSA opposes any attempt to further reduce state aid and federal funding to local governments, state operated services and providers of health and human services as a means to balance the state budget.

Policy

To ensure sufficient funding for vital health and human services the Executive and Legislative branches of Minnesota State government must:

1. *Ensure adequate funding* for essential health and human services without reliance on maintenance of effort requirements or shifts in funding obligations from the state budget to the county property tax dollars.
2. *Stop cutting* needed health and human services, including grants to human service providers.
3. *Restore*, at the earliest possible time, any past cuts in state aid and replace past cuts in federal funding.
4. *Reimburse Counties* for all costs to meet human services and public health responsibilities mandated under state law.
5. Look for *all funding options*, creative financing and new funding mechanisms

2. MEETING THE BASIC NEEDS OF ALL MINNESOTANS

Executive Summary

MSSA's policy to meet the basic needs of all Minnesotans mirrors the policy principles of the Legislative Commission to End Poverty in Minnesota by 2020. As such MSSA believes that there should be a consistent and persistent approach that includes participation of *people of faith, nonprofit agencies, government and businesses*.

All people should be provided with those things that protect human dignity and make for a healthy life, including *adequate food and shelter, meaningful work, safe communities, health care and education*. Everyone needs to work together to overcome poverty, and this work transcends both any particular political theory or party and any particular economic theory or structure. We support a job for all people. Overcoming poverty requires the use of private and public resources. *Alliances* are needed between the faith community, nonprofit agencies, government,

business and others with a commitment to overcoming poverty.

Overcoming poverty involves both *acts of direct service* to alleviate the outcomes of poverty and advocacy to *change those structures* that result in people living in poverty. Government is neither solely responsible for alleviating poverty nor removed from that responsibility. Society is well served when people bring their values in the public arena. This convergence around issues of poverty and the common good leads people of varying traditions to call on government to make a critical commitment to overcoming poverty.

Policy

MSSA supports the guidelines developed by the Legislative Commission to End Poverty in Minnesota by 2020:

1. Achieving Economic Self-Sufficiency
 - a. Support *education* at all ages to keep individuals and families out of poverty.
 - b. Ensure that those who work full time (and those who cannot obtain full-time work) and use their earnings to provide for themselves or a family receive *wages adequate* to meet their basic needs.
 - c. Develop a *skilled workforce*.
 - d. Support people as they seek and maintain jobs and *supplement income* for those with lower earning potential
2. Building Financial and Developmental Assets
 - a. Support *affordable housing* programs and promote and support home ownership.
 - b. Provide consumer and *financial education & promote saving* for future needs.
 - c. *Build developmental assets* for youth and reduce at-risk behaviors.
 - d. Meet individual and community *transportation* needs.
 - e. Inspire people to assume *personal responsibility*.
3. Removing Barriers and Obstacles to Rising out of Poverty
 - a. *Eliminate* racism and sexism.
 - b. Ensure that all Minnesotans receive the *health care* they need to participate as fully as possible in our society, so that illness or disability is minimized as an obstacle to work and self-sufficiency.
 - c. Improve mental health and chemical *dependency treatment*.

- d. Provide affordable and quality *childcare*.
- e. Enact public policies that *support families* and keep them together.
- f. Improve public *awareness* about the causes and solutions for poverty.
- g. Engage all sectors of society in enacting *solutions* for ending poverty.
- h. Improve *rehabilitation* and re-entry programs.
- i. Ensure social welfare policies support families and create incentives for *moving off public assistance*.

3. CHILD WELFARE POLICY & FINANCE

Executive Summary

In Minnesota, the federal, state and county or tribal governments are responsible to ensure core child welfare services. Basic child welfare services include child protection, foster care, adoption and other child and family services. The goal of child welfare services is to promote the safety, permanency and well-being of children.

MSSA believes that Minnesota should guarantee that all children in the state:

1. Are safe from abuse and neglect (*safety*),
2. Live in permanent and stable homes where they are nurtured (*permanency*), and
3. Have the opportunity to reach their highest potential (*well-being*).

Child Welfare Funding in Minnesota: In 2005, funding to support child welfare in Minnesota was and continues to be among the lowest in the nation and was allocated as follows:

1. County	47.7%	\$214.9 million
2. Federal	35.6%	\$175.0 million
3. State	13.7%	\$80.7 million

Minnesota is one of 12 states with a county-administered human services system. Minnesota *relies more on local funding* for child safety than any other state supervised, county administered system. Such a high reliance on county funding leads to child welfare funding and outcomes that vary considerably from county to county and which are unstable over time. The ability to protect and nurture our children should not vary based on geography within the state.

In 2003 the Children’s and Community Services Act (CCSA) consolidated a number of state social services funding streams into one CCSA block grant. CCSA funds are now the primary source of state funding for child welfare in Minnesota. Since the block grant was enacted in 2003, the amount of CCSA funding has been

continuously reduced by the state legislature. Because state and federal laws mandate child welfare services, county social service systems are required to provide these services. Therefore, any reduction in state child welfare funding simply increases the county share making Minnesota’s child welfare system even more reliant on county funding.

Policy

All children in Minnesota deserve *safety, permanency and well being*. This cannot be achieved without investing in a service system that is stable, adequately funded, accountable and demonstrates a level of commitment by state government that guarantees quality and consistency of services statewide.

MSSA recommends that Minnesota *establish a funding mechanism* that will provide consistency and sustain, at a minimum, the current level of services that are available to support the safety, permanency and well-being of all Minnesota children.

Changes to Minnesota’s child welfare system must:

1. *Improve outcomes* for safety, permanency and well-being
2. Improve the *consistency and quality* of child welfare programs from county to county
3. Provide a *stable structure and funding* base

At a minimum, MSSA strongly encourages the Minnesota Legislature to protect Minnesota’s most vulnerable by *opposing any state funding reductions* to the CCSA block grant.

4. QUALITY, COMPREHENSIVE AND AFFORDABLE EARLY CHILDHOOD CARE & EDUCATION

Research

Children are Minnesota’s most important resource. Cost benefit analyses have shown dramatic positive results in child achievement as a result of Early Childhood Care and Education (ECC&E).

1. Nobel Laureate economist James Heckman and Senior Vice President and former Director of Research for the Minneapolis Reserve Bank, Art Rolnick have concluded that the opportunity for *positive returns* in child achievement are the greatest for children in early learning settings and that society “should invest a significant share of public resources in the very young.”
2. The above research shows that funds invested in early childhood education demonstrate a *cost-benefit* rate of \$8.00 for every dollar invested.
3. According to the Casey Foundation, “research shows that after school and summer programs can

reinforce and enrich the classroom experience, resulting in *higher achievement and more positive attitudes* toward school, especially if they are aligned with school curricula. They also provide recreational activities and chances to explore areas that tend to get short shrift during the regular school day, such as the arts.

4. For most children, the out-of-school hours represent a lost opportunity. The Minnesota School-Age Care Alliance has said that school age care programs are also associated with *better school attendance, behavior and academic performance*.

Executive Summary

Increasingly, studies and cost benefit analyses have shown that the early childhood period represents an area of enormous intellectual and physical growth but ironically with significant *public under-investment*. A comprehensive approach to early childhood care and education will maximize the benefits obtained from each dollar spent by parents, along with the federal, state and local governments.

Early childhood care and education has many faces. As such, these services are diverse in nature and application.

1. It is an *economic development* program for businesses and communities.
2. It is an *education* program and *school readiness* program for children.
3. It is a *work support* program for parents.
4. It is a *child welfare* program devoted to preventing both physical and developmental harm to children.

Early childhood education *funding* must be *stepped-up* so that low and moderate-income families can have the *access* to early childhood education and *provider preparation* is enhanced. Results need to be *measured*; programs should be *integrated* and perhaps consolidated where possible. Finally, consumer based *incentives* should promote use of early childhood and *market strategies* should inform consumer decisions.

Policy

Early Childhood Care & Education has long been recognized as a good that has external effects and public attributes. This is why government, at all levels, has historically supported public funding for ECC & education. Minnesota's financial support of early childhood education and care has been *substantially reduced* in recent years. Changes in childcare licensing and childcare subsidies have *destabilized* the system. The status quo in early childhood is unacceptable and reform is necessary.

1. *Childcare Funding*: Recognize that working parents have become the norm and that funding quality childcare/preschool education is beyond the means of low-income families and stresses the capacity of moderate and middle-income working families.
2. *Eligibility for childcare assistance programs*: Restore eligibility for low and moderate-income families.
3. *Funding*: Fully fund all eligible families.
4. *Program/administrative simplification*: Support a childcare subsidy eligibility system that is simple, easy and understandable for the parents, providers, counties and the state.
5. *Providers*: Enhance provider training and retention.
6. *New Models*: Integrate early childhood programs.
7. *Results*: Reward care that supports positive child outcomes, such as safety and school readiness. This includes childcare assistance programs, state and federal tax credits and employer based pretax programs.

5. A NEW EMPHASIS ON PREVENTION AND EARLY INTERVENTION IN HUMAN SERVICES

Executive Summary

Over the last several years, due to ongoing budget pressures, prevention and early intervention programs and services have been reduced in order to maintain funding for "core" intervention services. Minnesota's commitment to protect the most vulnerable of our citizens and focus on short term results is critical, but doesn't address the long term well being and health of our citizens.

Prevention activities are designed to *minimize the risks* (and expenses of future illness, disability or dependence) and *maximize optimal levels* of functioning, independence, health and family life. Minnesota needs a new emphasis on such activities that engage all sectors, including Human Services.

Prevention activities also include new ways of engaging our population through technology, mass media and others. Activities include *education* and promotion of *healthy family living*, developing effective monitoring and feedback systems and providing a continuum of *early and effective services* including care coordination/case management. Approaches designed to educate and promote earlier action by the person/family at critical points in time, *save money* in the long run, result in a *healthier citizenry*, a more educated and productive workforce, a more satisfied family life and a more *engaged society*.

Policy

A shift from a reactive and intervention system to a proactive, prevention and early intervention must be collective and systematic. Funding for prevention and early intervention has been deemphasized in recent years leading to some very costly consequences.

1. MSSA recommends that a greater focus be placed on primary prevention and early intervention within the human services system and elsewhere.
 - ♦ The goal of *primary prevention* is to reduce the number of adverse outcomes, such as, incidents of child abuse, specific diseases or injuries and usually involves a relatively modest amount of resources for each person served.
 - ♦ The goal of *secondary prevention* is to detect undesirable conditions at an earlier stage when there is not yet damage or the damage is minimal and reversible.
 - ♦ The goal of *tertiary prevention* is to reduce the progression or modify the severity of a condition that is already present and usually involves a higher level of resources for a smaller number of people.
2. MSSA recommends adopting prevention techniques in every program and service and to communicate this expectation to the public and all service providers. Accomplishing this will require the development of a comprehensive system for *monitoring and assessing human services needs*. Such a system will enhance the ability of state agencies and community groups to focus on areas of highest priority for prevention activities.
 - ♦ Monitoring and assessment will help identify *emerging problems* at an earlier stage and encourage the development of targeted prevention programs/services.
 - ♦ A better system of monitoring would provide more *reliable data for identifying trends* and for making decisions about prevention priorities.
 - ♦ Prevention services that emphasize and support *acquiring skills and knowledge* provide some of the most important tools for enabling people to remain independent, self-sufficient and healthy.
3. MSSA recommends a *continuum of care* approach. Include elements of prevention in most intervention services.
 - ♦ A "continuum of care" recognizes the complexity and diversity of human needs and the uniqueness of the individual.
 - ♦ The development of a continuum begins with identification of specific objectives. The person, family, community and private sector should have primary responsibility, with the public systems serving as catalyst and facilitator, and only as

funder and service provider when the private sector cannot do so efficiently or effectively.

- ♦ A *care coordination/case management* approach may also be used to ensure needed services are provided, coordinated, duplication is avoided and the likelihood of positive outcome(s) is greater.
- ♦ For persons needing extensive intervention services a "case management" approach may be warranted to promote a consistent standard of care and cost containment where warranted.

Ultimately, an approach to service delivery that embodies both upstream, creative measures to head off disease, infirmity, and social and economic hardship along with timely and appropriate interventions is the kind of meaningful redesign that state government must invest in rather than reduce funding for out of short term financial expediency.

6. FAMILY PRESERVATION

Executive Summary

The Minnesota Legislature enacted the Minnesota Family Preservation Act in 1985. The act is to assure that all children live in families that offer a safe, permanent relationship with nurturing parents or caretakers. The act states that in order to help assure children the opportunity to establish lifetime relationships, public social services must strive to provide culturally competent services directed toward prevention of family breakup, restoration of children to family living, adoption where necessary and feasible, adequate care out-of-home where reunification or adoption are not possible and adequate funding to accomplish these objectives.

Policy

In 1985 with passage of the Minnesota Family Preservation act, the Minnesota Legislature required the following:

1. *Preventing* the *unnecessary separation* of children from their families by identifying family problems, assisting families in resolving their problems and preventing breakup of the family if it is desirable and possible;
2. *Restoring* to their families children who have been removed, by continuing to provide services to *reunite children and their families*;
3. *Placing* children in suitable adoptive homes in cases where restoration to the biological family is not possible or appropriate; and
4. *Assuring adequate care* of children away from their homes in cases where the child cannot be returned home or cannot be placed for adoption.

Family preservation services typically include home-

based counseling/therapy, crisis-intervention response programs, family and life management skills and early intervention programs. Family preservation services serve to *prevent* initial placements, as well as to *reunite* families should placement occur and to prevent future placements of the child or their siblings. In the end this saves money. It costs significantly *more money to place a child* and maintain a child in out-of-home placement (foster care, juvenile detention centers, etc.) than it does to provide a family with home-based services, which could prevent that placement by improving the child's home situation.

1. MSSA supports increasing and maintaining funding for family preservation and home-based services, especially preventative services.
2. MSSA supports Family Preservation programs specifically addressed in the Children and Community Services Act (CCSA) and, as additional funding becomes available, a portion of these funds be dedicated to family preservation and home-based services versus having these services vie for funding with other community services.
3. MSSA opposes cuts to family preservation and home-based services funding and to legislative initiatives that serve to redirect family preservation funding to non-family programs.

7. TRANSITION OF YOUTH TO ADULTHOOD

Executive Summary

The transition from adolescence to adulthood is a *challenging time* in which the young person is called upon to make complex decisions about schooling, work, finances, and personal relationships. For young adults (ages 18-21) living in foster care or other non-family settings, this phase of life poses even greater challenges as they often face unemployment, underemployment, and *discrimination* when they enter the workforce. Adding to these challenges, youth with *mental health* needs often find it difficult to find or maintain services they need to successfully transition to adulthood including mental health treatment, employment and vocational rehabilitation, and housing.

Minnesota's system for transitioning and supporting older youth is incomplete and under-funded. MSSA recommends that in addition to SELF funding for pre-adult transition planning and certain educational grants, that the Legislature provide a *50% match* in state funding for all youth transition services with DHS becoming a full partner with counties at improving outcomes. *Preventing homelessness, reducing prison rates*, improving education levels, etc. are all areas needing improvement. Increased investments in school-based preparatory experiences, career preparation, work-based learning experiences, youth development, leadership training, mentorship programs and supporting family involvement (if appropriate) are all pathways for greater levels of success.

Policy

Young adults (ages 18-21) living in foster care or other non-family settings often face unemployment, underemployment, and discrimination when they enter the workforce. In addition, transitioning youth with mental health problems need help finding and accessing *mental health* and *vocational services* and *housing*. Accessing such services will help assure a successful transition for these youth but will come at a cost that must be born from a broad base of funding.

The business case for improving State funding for youth transition services includes:

1. Improved educational outcomes leading to higher workforce outputs,
2. Reduced homelessness and dependency, and
3. Reducing jail and prison (crime) rates.

Closing service gaps and providing *50% funding* for services to this vulnerable population by the Legislature can help assure a *full partnership* through the Department of Human Service with counties, schools and many other providers. Adolescents from non-traditional home settings should be given every opportunity to succeed and make a seamless transition into mainstream society.

8. MINNESOTA FAMILY INVESTMENT PROGRAM (MFIP)

Executive Summary

MSSA is committed to the success of Minnesota Family Investment Program (MFIP) and its fundamental goal of ensuring that families leave financial assistance and achieve *self-sufficiency* through employment with a stable income. We share the concern of state policy makers and other organizations that some families will not achieve true self-sufficiency within the 60-month time limit of the MFIP program. Many MFIP families reach their 60-month time limit each year.

Policy

MSSA supports legislative initiatives that will ensure that families continue to move towards self-sufficiency, while recognizing that for some families, 60 months may not be sufficient to achieve this goal and that an appropriate safety net must be provided to assist those who are unable to become fully self-supporting within 60 months. Key elements in proposed self-sufficiency legislation should include the following:

1. Restore *125% of poverty* as the exit point from MFIP.
2. Maintain *incentives* for work.
3. Improve *training* and educational resources.
4. Provide additional funding support to *employment services* providers to more effectively work with MFIP families.
5. Support an emphasis on high quality and available *childcare*.
6. Toughen sanctions to *strengthen consequences* for

families that are not complying with program requirements as a means to motivate parents to go to work yet accomplished in a manner that will *not penalize children* in the process.

7. Rethink strategies to *prevent teen pregnancy*.
8. Improve local capacity for *early childhood care/education*.
9. Improve local capacity for the needs of families at risk of *child maltreatment*.
10. Appropriate adequate state and MFIP funds to ensure these key elements can be implemented on a *statewide* basis.
11. Provide a *safety net* for those that are doing the best they can.

9. Hunger in Minnesota

Executive Summary

Minnesota is facing a hunger problem brought about by the convergence of the stagnant economy, low rates of participation in SNAP (Supplemental Nutrition Assistance Program—formerly Food Stamps), and the inability of the charitable sector to meet the daily nutritional needs of everyone who is unable to secure enough food. Research reveals that low income children, elderly and disabled individuals, the working poor and families are missing one in ten meals. Inadequate nutrition is compromising their health, their ability to learn and their ability to perform in the workplace. Although the charitable sector is ramping up its efforts, the relatively low SNAP enrollment in Minnesota remains a matter of serious concern. There are significant administrative improvements that could bring about *higher enrollment in SNAP at less cost*. These program improvements require the collaboration of county governments and the Minnesota Department of Human Services and include updated messaging to potential participants – especially the elderly - simplified application forms, online applications, access through “many doors,” updating or replacing MAXIS, etc. The 2011 Legislature enacted serious Service Delivery Redesign measures as Article 9 of the Omnibus Health and Human Services Act. Participation in and administration of SNAP and health care are expected to improve with effective implementation.

Policy

Despite a significant increase in SNAP outreach and participation year over year, from 368,000 to more than 500,000, Minnesota still ranks in the bottom quartile among states for participation. Enactment of Service Delivery and Redesign in 2011 could improve overall performance over time if the DHS and counties use existing electronic databases to verify eligibility and adopt already-proven on-line application systems for multiple programs. In order to achieve these improvements, however, it is important that the service redesign measures be fully

implemented in ways that maximize the results for participants and the counties.

MSSA recommends collaboration in and support of implementing the following improvements to the SNAP program outlined in the 2011 Service Redesign legislation:

1. Simplify reporting
2. Waive face-to-face interviews for application and recertification
3. Combined/simplified application
4. Accept applications and recertification by fax
5. Restructure up-front local office procedures where necessary
6. Shift to workload/task based systems (such as case banking)
7. Increase accessibility by locating SNAP workers throughout the community
8. Changes in office hours to increase accessibility for applicants
9. Use on-line applications
10. Use on-line eligibility pre-screening
11. Complete application with on-line signature
12. Apply for multiple programs simultaneously
13. Modernize MAXIS and include document imaging and electronic case files
14. Mandate data sharing among large systems
15. Support collaborations or initiatives that maximize economies of scale

The Department of Human Services and the Minnesota Legislature should consider raising the standard utility allowance. This would particularly benefit low-income seniors to continue to live in their homes and it would help off-set the impact of lower funding for Low Income Home Energy Assistance Program (LIHEAP).

10. MENTAL HEALTH

Executive Summary

Over the past decade Minnesota has participated in a process of deinstitutionalization of the mentally ill with varying results. Some of the positives include more *normalized living* and work settings for persons suffering serious and persistent mental illness (SPMI), development of many *community based treatment alternatives* and *community supports* helping to maintain mentally ill individuals in a stable environment, and a near complete *end to the residential state hospital* based system of care. On the other hand, a number of issues remain and may be worsening. Some of these include an *uneven distribution* of services, both community based and state supported, a lack of knowledge about and *planning for jail populations* that are more mentally ill than criminal, the emerging needs of the *elderly mentally ill*, a continued struggle with dual diagnosis patients

especially where chemical use is a factor, Community Behavioral Health Hospitals (CBHH) that function as an independent system, housing dislocations and others. Minnesota is also at a cross-road with funding of mental health services. With the effective dismantling of the GAMC program in many areas, along with reduced grants-in-aid to counties, payments to physicians and other health care suppliers, the mental health “system” is at high risk for collapse.

Policy

Minnesota is in serious need of mental health reform once again. Fundamentally this means a completion of the process of deinstitutionalization that was started over a decade ago, as well as addressing issues such as housing, employment, healthcare, and others that either preceded deinstitutionalization reform or are emerging issues.

A review of the literature and the experience of other states reveals many examples of good planning, best practices and successful initiative. For the purposes of this policy, we call for:

1. *An overhaul of and comprehensive funding of the mental health system in Minnesota, including expanded use of tele-mental health.*
2. *A statewide review and comprehensive plan of action in conjunction with the Department of Human Services, the Department of Corrections and the Department of Management and Budget of the jail-based mental health issue*
3. *Reform of the CBHH’s and the community based system into a single, integrated whole along with sufficient addition and distribution of CBHH beds and the staff to manage them*
4. *Training for providers who work with older adult mentally ill persons,*
5. *A system-wide upgrade of diversity education and training in this field including law enforcement*
6. *A new partnership with primary care and a holistic view of mental health*
7. *Promotion of increased integration and parity between physical health and mental health to better address individual needs*
8. *Further develop the strength-based, person-centered, harm reduction models that Minnesota has been moving toward to include sufficient and appropriate treatment & supports, medication management, case management/care coordination, protection and advocacy, health care, housing, family & friends, education, leisure & recreation, psychiatric rehabilitation, Assertive Community Treatment (ACT) and crisis teams, personal trust, personal responsibility, peer support, meaningful work, income support, community mobility, and community groups & organizations uniformly and statewide*

11. MINNESOTA HEALTH CARE ISSUES

Executive Summary

The current environment for healthcare funding and delivery is a complex mixture of services and funding mechanisms yielding mixed results for consumers and providers while threatening to overwhelm the existing private and public systems financing health care. For the first time in recent history the number of persons not covered by health insurance (including public programs) has topped 10% in Minnesota. Counties are deeply involved in many aspects of healthcare financing and delivery and when the healthcare system changes or is impacted, *counties are directly affected*. The State of Minnesota has an obligation to provide or assure access to all persons including indigent single adults, maintain quality and safety through monitoring, incentives and transparency, and to keep costs in hand and check medical inflation through appropriate mechanisms designed to achieve maximum population health status and outcomes.

Policy

County social service agencies are directly involved in the health care system as gatekeepers, providers, quality assurance watchdogs, and as purchasers. MSSA acknowledges that in addition to efforts made by county social service agencies, within and beyond MSSA’s circle of influence, it is only through the actions of other interested parties and most specifically the Legislature that *meaningful, comprehensive health care reform will occur*. MSSA believes that a comprehensive approach to health care in Minnesota is the overall strategic focus that offers a single level of care for all citizens, that promotes a *high level of health status* among the population, and that creates *incentives for cost containment* and coverage inclusion.

The current system also creates access issues because of affordability as well as uneven geographical coverage by health plans and providers. The health care system will continue to provide care that is unaffordable, inefficient and/or inaccessible to many Minnesotans. Health outcomes will continue to decline. The status quo is unacceptable and reform is necessary.

MSSA supports the work of others in the following areas, toward the goal of meaningful, comprehensive health care system reform:

1. Take advantage of the new *Federal Health Care Reform* where possible,
2. Investigate the benefits of joint purchasing strategies now known as “*exchanges*,”
3. *Streamline eligibility* and standardize benefits for Minnesota Healthcare Programs,
4. MSSA supports the 2011 decision to apply for *early entry* into Medical Assistance for childless adults,

5. *Expand coverage* and access to all Minnesotans, especially children,
6. *Improve quality and safety* through monitoring, incentives and transparency,
7. Encourage, support and *expand county based purchasing statewide* as a sole source payor option.

12. AGING

Executive Summary

The aging trend has many implications for state and local governments, businesses and individuals. One view has it that *health care costs* will continue to be a major issue as boomers develop cancer, diabetes, heart disease and other chronic diseases. Employers will need to replace and train the large numbers of people who will be retiring. And, as boomers retire and their incomes decrease, *income tax revenues* may have trouble keeping pace with the demand for services. Another view describes a future where wavelets of age cohorts will course through the demographic profile over the next 30 years bringing increased richness to the social environment, *wisdom, maturity and talent* to business and cultural environments, and the potential for increased social and economic resources. Whether the glass is half full or half empty, what is clear from the State Demographers office and others is that over the next 10 years the fastest growth in Minnesota will be for ages 55 to 69 and over the next 25 years the fastest growth in Minnesota will be for ages over 65 and that such growth is uneven and varies widely across the state.

Such growth has implications for a number of domains including *transportation, human services, public safety, the workforce, housing, health care, ancillary public services, tax policy and civic engagement*. A deeper look at demographics show steep variations in aging trends from county to county and community to community at the same time as counter-trends in overall population growth may also exist. As examples, southwest Minnesota counties look very different in trend lines from the metro suburbs or in turn the growth corridor from Rochester through the Twin Cities to Brainerd as different from the Arrowhead.

Accordingly, MSSA recommends *a new system of research based information gathering* to anticipate and understand the potential impacts of changing age demographics focusing on individual counties and communities and to position them to foster healthy aging among their seniors through effective public policy.

Secondly, in the short term, the State of Minnesota through its state agencies and the Minnesota Legislature must *promote robust, nimble and effective policy initiatives and funding mechanisms* to meet current needs and

challenges of the changing aging population.

Policy

As counties and their various communities begin to confront the issues and opportunities surrounding aging demographics, it has become apparent that research based planning along with public dialogue is a necessary requirement for understanding and planning for a variety of domains, their development and impacts. The Minnesota Legislature should take the lead in setting up a process for achieving this goal and direct the process by which it is accomplished.

1. The Minnesota Legislature should foster and encourage counties and communities to engage in *information based planning projects*.
2. The Minnesota Legislature should *fund these efforts*.
3. The Departments of Human Services the, Department of Health and the State Demographer's Office at a minimum should *support, encourage and coordinate* these efforts with the Minnesota Board on Aging acting as lead agency.
4. The above efforts should generate *progress reports to the Legislature* in successive years through 2015.

There are a variety of issues that need immediate attention as developments occur in the current system serving elderly persons:

1. In the process of reducing the number of elderly people who live in nursing homes and who see living in the community as the norm, there are restrictions limiting the availability of services such as limited waiver growth and eligibility changes to state plan benefits like PCA services:
 - ♦ DHS should seek new Federal waivers to give families and individuals more *options* for home and community based services.
 - ♦ Minnesota should support funding and policies of *prevention and early intervention* that support healthy aging throughout the life span.
2. Counties serve a vital role through Comprehensive Assessment in keeping people in the community settings; however funding formulas are changing putting at risk county reimbursement for their mandated functions. The State of Minnesota should assure adequate financing of Comprehensive Assessment and related activities.
3. Minnesota has shifted funding from counties to health plans for Elderly Waiver services yet the counties role as service provider is still undefined.
 - ♦ There is a need for counties to be involved in quality assurance and home and community based *long-term care network development*,
 - ♦ There currently is *no funding* source for these functions
4. Managed Care Organizations use their own forms

instead a common format. This complicates care for case managers and effects timeliness and quality of services.

- ♦ DHS should develop *uniform processes* for counties and plans
 - ♦ DHS and the Legislature should promote policies for *flexible housing* with services to ensure quality, availability, affordability, accessibility, and consumer choice
5. There are a number of inefficiencies in the current system, in particular related to people either entering nursing homes or leaving them. *DHS should analyze the multiple processes* currently mandated to make the system more effective and efficient.

The Legislature should remove the administrative penalty for the late submission of PCA screenings as the Comprehensive Assessment is the replacement for the PCA assessment thereby eliminating the need for this penalty.

DHS projects 2020 and 2030 have demonstrated that there are individuals that are not adequately preparing financially for the care they will need as they age. DHS and the Legislature should encourage policies that expand the availability of *long term care insurance and other strategies that promote planning for future health care needs.*

13. ELDER JUSTICE

Executive Summary

MSSA calls for a public policy that advocates fair and adequate services for families and disabled individuals who rely on the human services infrastructure for basic support. In Minnesota and the nation, the issue of vulnerable adult and elder abuse has been invisible to most of society and reports of abuse, neglect and exploitation continues to increase as the population ages. By 2030 the number of Minnesotans over the age of 65 will double rising to 1.3 million. Elder justice means assuring an adequate public-private infrastructure and resources to prevent, detect, treat, understand, and intervention in and prosecution of both elder and vulnerable adult abuse, neglect and exploitation. Every person has the right to be free of abuse, neglect and exploitation. MSSA supports the creation, operation and funding of *Adult Protection Service (APS) Teams in every county* in Minnesota. APS teams strengthen the collaboration with social, medical and legal systems to assure elders and vulnerable adults can live safely in their community.

Policy

In 2010 the Federal Government passed the *Elder Justice Act (EJA)*. The EJA authorized funding for both state and federal efforts to prevent, detect, treat, intervene in, and prosecute elder abuse, neglect, and exploitation; and to protect elders with diminished capacity while maximizing

their autonomy. These funds, while authorized, have not yet been appropriated.

MSSA supports the *appropriation of these Federal funds through the EJA* to establish the creation of:

1. Federal Elder Justice Coordinating Council - the Council shall make recommendations to the Secretary for the *coordination* of activities of the Department of Health and Human Services, the Department of Justice, and other relevant Federal, State, local and private agencies and entities, related to elder abuse, neglect and exploitation and other crimes against elders.
2. Forensic Centers - Operate stationary and mobile forensic centers, to develop *forensic expertise* regarding, and providing services relating to, elder abuse, neglect and exploitation.
3. *Grants to States* for Adult Protective Services - Funds will supplement not supplant current expenditures for Adult Protective services in the State.
4. Grants to Long-Term Care Ombudsman Program for training - Improve capacity for *Long-Term Care Ombudsman Program* to respond to and resolve complaints about abuse and neglect.
5. Federal Advisory Board on Elder Abuse, Neglect, and Exploitation - to create short- and long-term multidisciplinary strategic plans for the development of the field of elder justice and to make recommendations to the Elder Justice Coordinating Council.

14. LONG TERM CARE (LTC): COMMUNITY SUPPORT OVER INSTITUTIONAL MODELS

Executive Summary

MSSA supports continuing the commitment to a more common sense approach to services for seniors and persons with disabilities. Such a community-based system envisions common-sense programs and funding aimed at providing incentives to keeping and maintaining elderly and disabled persons in their own homes in the community. Such measures include in-home meals, congregate social gathering, adequate "waiver" funding, aligning funding with expected outcomes, housing with services, community based planning and collaboration, affordable housing, LTC insurance options and effective case management, assessment and placement.

Policy

MSSA supports the continued movement toward a sustainable system of long-term care that promotes cost effective community supports over institutional models when possible. This would include the following:

1. Maintain *adequate funding* for community services.
2. Maintain the Alternative Care Program to keep low-

income *elders in their own homes* rather than more expensive congregate settings or nursing homes.

3. *Sufficient funding* for Alternative Care (AC) programs, Community Alternatives for Disabled Individuals/Traumatic Brain Injured (CADI/TBI) waiver programs, and Elderly Waiver (EW) programs so counties can respond to the dual pressures of responding to *growth in the aging and disabled population* and the expectation that persons will move from nursing homes into community settings.
4. As an alternative approach to reducing costs, evaluate all options on the continuum of care in order to support people to stay in their own homes and communities whenever possible.
5. Revisit quickly enacted budget strategies that have had many unanticipated and *unintended consequences*, some of which may actually increase overall state costs.
6. Capping the number of persons receiving certain waivers is promoting the use of more *expensive institutional care*. Also significant is the cost that has been incurred in assessing persons under 65 in nursing homes for which community care is not available or feasible (persons in comas or who have hospice in a nursing facility, etc).
7. Promote *long-term solutions* that can reduce dependency on publicly funded programs.
8. Encourage the State to join the counties in advocating for *Federal Medical Assistance funding for the room and board costs of community alternatives*, not just for institutional level care.
9. Advocate for *affordable housing resources* to be devoted in part to the development of affordable housing for seniors and persons with disabilities.
10. Develop funding for *new community care projects* such as Healthy Seniors related to the decreasing use of nursing homes.
11. Support the expansion of employer-based and other group purchasing approaches to *long-term care insurance* along with *standardized policies* enabling consumers to make good choices so that the general population is more self sufficient in older age.
12. Promote comprehensive physical and emotional *risk assessments* of individuals, caregivers and environments for waiver recipients.

15. A STRONG LOCAL PUBLIC HEALTH SYSTEM PROTECTS MINNESOTANS

Executive Summary

Protecting and promoting the health of the public is a fundamental responsibility of government at the federal, state and local levels. Minnesota's public health system has been long regarded as one of the strongest in the nation. Unfortunately, in recent years, funding cuts coupled with increased, unfunded mandates have undermined the

ability of local public health departments to provide basic public health services.

Policy

To meet the needs of Minnesota's citizens, the local public health system requires substantial support from the Legislature. MSSA believes that a responsive public health system is essential in promoting a healthy population through *prevention and the containment* of threats to public health that compromise the well-being of Minnesotans.

MSSA supports *sufficient and stable state funding* to maintain essential activities, local public health emergency planning, preparedness and response, and a stable public health infrastructure. Specifically, Community Health Services (CHS) funding, which has not been increased since 1996, must be increased, indexed for inflation and integrated into the local public health block grant.

MSSA's 2012 Legislative Proposals

CHILD CARE

1. Basic Sliding Fee Entry Level

Description: Currently, to be eligible for basic sliding fee childcare, an applicant's household income must be equal to or less than 175% of the federal poverty guidelines. Once found eligible, they remain income eligible until they are over 250% of the federal poverty guidelines. Any family applying for childcare assistance, whose income is between 175% and 250%, are denied assistance to help reduce their financial burden, thus being penalized for working more hours or receiving a higher rate of pay at entry level than those allowed to work their way off childcare assistance.

Affected Statute(s)/Rule(s): Health & Human Services Bill 2003- Sec. 14, Subd. 1 (3)

Consequence of No Change: In an effort to gain eligibility for childcare assistance, families may choose to reduce their work hours or quit their jobs. Families are more likely to choose unlicensed providers that may not be considered quality care or we may see an increase in children not receiving any child care while the parents are at work or in school.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: Change the basic sliding fee entry level to be equal to or less than 250% of federal poverty guidelines and increase state appropriation to allow for this change.

2. Background Studies in Licensed and Legal Unlicensed Family Child Care

Description: Oppose moving the background studies from the counties to DHS.

Affected Statute(s)/Rule(s): 245C, 245A, 9502.0300 – 9502.0445

Consequence of No Change: Increased risk to children in care, due to use of non-social work staff looking only at conviction data and maltreatment determination (no investigation of counties could continue to bear cost of studies family system issues; also, providers may not report household changes to DHS because of increase in cost to providers. Also puts staff at increased risk of safety, because in the event of a disqualification, staff will not be told the nature of the disqualification, but will be required to make a recommendation of "set aside," "not set aside," or "variance granted").

MSSA Proposed Action/Solution: Keep background studies at the county level to ensure the safety of children in family child care and legal unlicensed care.

CHILD SUPPORT

3. Stop Interest Charging Not Required by Federal Law Simplify Program

Description: County staff is spending time manually performing complex calculations and adjustment in performing account reconciliation when there is interest charged. It is also difficult in interstate cases because of the inconsistent rates, not charging on incoming ones, lack of enforcement from other states.

Simplify program for county and state in eliminating the manual work involved in maintaining interest charges on child support cases.

Discontinue interest accrual on child support arrears and docketed judgments owed.

Remove all interest on existing balances.

When enforcing interstate cases Minnesota counties send out a Uniform Interstate Family Support Act petition for enforcement to other states. Some states like Texas or South Dakota refuse to collect interest. They close cases as paid in full and Minnesota is unable to collect the remaining balance (most of which we show as principal). This is adding large amounts of debt to those already uncollectible cases.

Interest really adds to the complexity when doing retro modification adjustments or manual calculations on arrears. Counties are supposed to go back and compute the interest back to the date the suspension started and have no way of doing this other than manual calculations. So, this could be a situation whereby you could be re-computing interest for many months or years, depending on how long the interest suspension has been going on. And interest rates change each year as well.

Consequence of No Change: Continue to lose federal incentive dollars and reduced worker productivity

Fiscal Impact: Increase Federal Incentive dollars and worker productivity

MSSA Proposed Action/Solution: Stop interest charging-not required by federal law

4. Support the Most Effective Model that Provides Accessible, Affordable, Effective, Efficient, Consistent, Respective Services for the Children of Minnesota and Their Families

Description: Minnesota’s child support enforcement program is in need of improvements that enhance the program’s cost effectiveness, improve statewide uniformity, upgrades the computer system and build upon the facets for the current delivery model that have proven effective. Such improvements must be developed through an authentic, collaborative effort between the MN Department of Human Services, counties, the courts and county attorneys because of the critical role each play within the current delivery model. To maximize the public value generated by the current system and to improve upon specific recommendations developed from the Business Process Redesign (BPR) and the Analysis Service Delivery Model (ASDM) studies recently completed by the State, any changes to the current program must be aligned with the key guiding principles outlined below.

The MN Child Support Enforcement Program (CSEP) has been a national leader and historically performed well in 4 of the 5 federal performance standards, in comparison to other states. Nevertheless, recent declines in the program’s cost effectiveness, and the aging of the statewide child support computer system, PRISM, have triggered the need to analyze the business process used to administer the current program, as well as the state-supervised, county-administered model of service delivery. The Business Process Redesign identified a significant number of key areas where changes in policies and practices, as well as automated system enhanced may lead to specific, measurable program improvements and outcomes for clients.

Based on the data gathered to date, MSSA believes it’s appropriate for the child support enforcement program to change if system and policy enhancements are aligned with following principles:

1. Client service, access and positive outcomes must continue to be a top priority.
2. Changes must emphasize ways to enhance what works well in the current system while investing in changes to components of the program that are less effective. This includes investments in improved technology to enhance uniformity, consistency, efficiency, cost-effectiveness and outcomes.
3. Statewide uniformity and conformance with state law and policies must be improved.
4. Costs must be contained through stronger outcome

based cooperative agreements.

5. Average cost per case and caseloads per FTE must be comparable from county to county.
6. The entities responsible for administering the program must be held accountable for achieving outcomes.
7. Cost-effectiveness must always be a consideration.

MSSA embraces and recommends improvements to the Minnesota Child Support Enforcement program that are aligned with the Guiding Principles outlined above. Develop improvements through an authentic and collaborative effort between the Minnesota Department of Human Services, counties, the courts, and county attorneys because of the critical role each plays within the current delivery model.

Consequence of No Change: The need for improvements that enhance the Child support program. Declines in the program’s cost effectiveness, and the aging of the statewide child support computer system, PRISM, have triggered the need to analyze the business processes used to administer the current program, as well as the state-supervised, county-administered model of service delivery.

MSSA Proposed Action/Solution: Support, in conjunction with the service delivery committee, the most effective model that provides accessible, affordable, effective, efficient, consistent, respectful services for the children of MN and their families. Develop improvements through an authentic, collaborative effort between the Minnesota Department of Human Services, counties, courts, and county attorneys because of the critical role each plays within the current delivery model.

5. Support Changes to Cooperative Agreements with IV-D Agencies

Description: In order to achieve the goals of the program and control costs, cooperative agreements need to clearly set out the roles of Minnesota Child Support Department, local County Attorneys, local IV-D Agencies (typically local county human service agencies). The agreements need to set clear expectations of all parties and penalties for not meeting expectations. Agreements across the state should have a standardized formula to calculate the costs associated with the services contracted for and cost per case must include, in some fashion, an evaluation of the standard of living in a locality unless there will be standard wages and other expenses in all locations. Difficulty of caseloads must be factored into the evaluation of performance as well.

This could be accomplished without legislative changes.

Changes in the IV-D Cooperative agreement are currently being discussed in the Child Support Service Delivery Committee and we expect that this committee will be making recommendations to make the agreement more robust and clear in the responsibilities, roles and expectation of all parties involved in the child support process

Consequence of No Change: ineffective cooperative agreements, and inconsistency in the delivery of responsibilities, unclear expectations.

MSSA Proposed Action/Solution: Support changes to cooperative agreements with IV-D agencies Cooperative agreements need to be standardized for all counties. Cooperative agreements need to clearly set out the roles of all parties, clearly define expectations and penalties and use a standard formula to calculated costs contracted for.

6. Administrative Equality of Medical Support Obligations

Description: Right now, if the non Custodial Parent is ordered to carry medical and/or dental insurance and the custodial parent is ordered to reimburse a portion of that insurance premium, and the non Custodial Parent doesn't carry the insurance, the custodial parent's reimbursement obligation can be administratively removed.

In effect, if the child support obligation is \$300.00 per month and the custodial parent's portion of the premium is \$50.00, the non-custodial parent pays a net child support of \$250.00 per month. If the non-custodial parent doesn't carry the insurance, the offset is removed and the child support amount goes back to \$300.00 per month.

In the opposite scenario, where the Custodial Parent is ordered to carry medical and/or dental insurance and the non-custodial parent is ordered to reimburse a portion of that insurance premium and the custodial parent doesn't carry the insurance then the non-custodial parent has to file a motion to modify the court order to have the obligation removed. There is no state law allowing the administrative removal of this cost.

In effect, if the child support obligation is \$300.00 per month and the non-custodial parent's portion of the premium reimbursement is \$50.00, the non-custodial parent pays a total obligation of \$350.00 per month. If the custodial parent doesn't carry the insurance, the total obligation stays at \$250.00 per month, with the custodial parent receiving \$50.00 per month for a cost she doesn't have.

Many non-custodial parents don't file a motion to modify due to many factors including some of the following:

1. Lack of knowledge that they can request a modification.
2. Assume they may not meet modification criteria and therefore won't be granted the modification.
3. Reservations about the legal system.
4. Lack of financial resources including the ability to take time off from work or pay for a first time filing fee to the Court Administration.
5. Just another hoop they have to jump through that the custodial parent doesn't.

In all fairness to the non-custodial parent's, the Child Support Officers should have the ability to administratively remove the non-custodial parent's obligation to pay the custodial parent a portion of the premium when the custodial payment does not carry the court ordered medical and/or dental insurance.

The statute that would need to be changes is 518A.41. We believe an additional subdivision (19) would need to address this.

Affected Statute(s)/Rule(s): Change 518A.41 subdivision, 19

Consequence of No Change: Allow administrative removal of cost to a Non Custodial Parent if a Custodial parent chooses not to carry health insurance they are being reimbursed for.

Fiscal Impact: None

MSSA Proposed Action/Solution: Change 518A.41, subdivision 19, to allow administrative off set of medical support obligations & allow administrative removal of cost to a Non Custodial Parent if a Custodial Parent chooses not to carry health insurance they are being reimbursed for.

7. Administratively Stopping Child Care Support

Description: The current statute 518A.4 subd. 4(b) does not give the public authority authorization to suspend the child care obligation when they are unable to verify with the obligee that the no child care costs are being incurred.

The current statute allows the custodial parent to ignore the public authority's request for verification of expenses which result in the child care expense to continue to charge after the expense has stopped. There are cases with child care support charging up to the child's age of

emancipation.

Upon notification there may not be child care, the custodial parent will be contacted and provided an opportunity to provide verification that there are expenses. Upon no verification, the child care will be suspended.

Affected Statute(s)/Rule(s): Change 518A.41 subdivision, 4(b)

Consequence of No Change: The current statute allows the custodial parent to ignore the public authority's request for verification of expenses which result in the child care expense to continue to charge after the expense has stopped. There are cases with child care support charging up to the age of emancipation.

Fiscal Impact: None

MSSA Proposed Action/Solution: Strike "the public authority will continue to resume collection child care expenses" and replace with "the public authority will suspend the child care obligation"

8. Centralization of Child Support Enforcement Legal Interpretations for Counties Who Request It

Description: Legal interpretation of statutes and Child Support Enforcement Division (CSED) policy is not consistent throughout the State. This leads to inconsistent delivery of services from one county to the next.

Assign one entity made up of CSED attorneys, County Attorneys and Assistant County Attorneys who will determine the legal interpretation. This interpretation will be communicated to all counties. This will allow for services to be delivered in every county consistently.

This position is in regards to 87 County Attorneys doing things 87 different ways and the varied responses we get regarding the child support issues that come before the CA's and the advice they offer. Some conflict with state policy, such as when or if to do Financial Institute Data Match (FIDM), genetic testing, criminal non-support, etc. If CSED would offer a centralized service that counties could go to, if they need to, they feel that may help streamline our processes thus making us more efficient. The issue is in inconsistency in responses to legal issues due to too many individual opinions. What is okay in one county is not in another. One county does something one way based upon the interpretations of their county attorney and another county does it totally different based upon the interpretation of their county attorney. Centralization is needed so that our customers

receive the same response to a legal issue in all 87 counties. 87 counties write a criminal complaint one way; why is there a need for varied processes in Child Support? Appropriate levels of uniformity should be the goal as absolute uniformity is not a good thing and in reality can rarely be achieved.

MSSA Proposed Action/Solution: Centralization of legal interpretation for those counties that request it.

9. Sufficient Non-Property Tax Support to Maintain Current Level of Child Support Program's Outcomes for Families

Description: Reductions in State funding to counties to support Child Support programs risks future federal incentive funding to counties and eventually to the state. Due to reductions in State funding, counties are also facing reductions in federal incentive funds to administer County Child Support programs. These reductions mean counties will be faced with increased caseloads and reductions in county staff. This will jeopardize future federal incentive funding to counties and eventually the state, as it will become more difficult for counties to meet required IV-D program outcomes for families. This will result in further reductions in federal incentive funding.

Failure to meet Child Support Program's outcomes for families will result in fiscal penalties to the state TANF program.

Consequence of No Change: Noncompliance with the federal regulations, standards, and performance outcomes will reduce federal funding to the state and counties. Increased caseload size will result in reduced child support payments to children. Failure to meet compliance thresholds will result in fiscal penalties to the state TANF program.

Fiscal Impact: More State money will be required to maintain federal incentive funding for child support programs.

MSSA Proposed Action/Solution: The State needs to provide full funding for County Child Support programs to address the cuts counties are facing in federal incentive funding. Full State funding of County Child Support programs will result in continued receipt of federal incentive funding by maintaining the current level of child support program's outcomes for families.

10. Oppose State Take-over of the Child Support Program

Description: In 2009 DHS contracted DeLoitte consulting group to study the Minnesota Child Support

system and make recommendations for improving the cost-effectiveness of the program. In 2010, the Commissioner of Human Services requested a work group be formed to review DeLoitte's recommendations and provide guidance in how to proceed. That ASDM workgroup met religiously throughout 2010 and 2011. It consisted of representatives from MACSSA, the County Attorney's Association, the Judiciary, and the Department of Human Services.

The final recommendation to the Commissioner from that committee was to pursue and enhance governance model rather than a state take-over.

Some additional considerations include the 2011 performance report that just came out September 2011. If the rationale for a state take-over of the child support program is to save money and be more cost-effective, there are some serious flaws with the data. A new measure that was not included previously in these reports is the incentive per open case measure, found on page 47 of the report. Despite having high costs, Minnesota ranks 2nd, only behind Pennsylvania, in incentives per open case \$50.84 in 2009 up from \$48.33 in 2008. There has been much attention focused on our cost effectiveness ratio recently, yet it has held relatively constant since 1998, (\$3.93 in 1998 to \$3.61 in 2011) see page 21. In 1997 PRISM was introduced and obviously assisted the state in its performance for awhile. It might suggest investment in technology is the key.

We have been given the option of moving forward with exploring the enhanced governance recommendation MACSSA, DHS, County Attorney's and the Judicial System supported. This would likely increase that cost-effective measure as well. In terms of quality, is there any evidence that the State of Minnesota has exceeded the quality of any program they administer above that in which the counties administer? Quality of the child support program has huge ramifications on not only funding, but also service to clients. In fact, a reduced quality can, in fact, increase our costs. There is also concern that with a state take-over would be an established county share. Other programs have received increases in their county shares recently, such as chemical dependency and Minnesota Sexual Offender Program costs.

One final consideration is the Federal push to change our performance measures, eliminating the cost-effectiveness measure and adding ones around Fatherhood initiatives. This topic definitely need more thoughtful exploration of the costs and benefits to counties before any state take-over pilot project or otherwise is pursued.

Consequence of No Change: If pursued Federal dollars

are at stake as well as quality service to clients. Counties have the capacity to pursue regionalization of child support services but when it includes a state take-over, it crosses the barrier of the state-county partnership model and requires pursuit through a transparent process

Fiscal Impact: Potential preservation of federal dollars for the Counties. \$16,052,277

MSSA Proposed Action/Solution: : The final recommendation to the Commissioner was to pursue an enhanced governance model rather than a state takeover of child support programs currently administered by counties. We support the enhanced governance model recommendation from MACSSA, DHS, County Attorneys and the Judicial System. This would likely increase the cost-effective measure as well. Therefore, MSSA opposes the state take-over of the child support program.

CHILD WELFARE

11. Transfer of Temporary Physical and Legal Custody to a Relative

Goal #1: To provide legislation that supports a practice that formalizes arrangements made with relative caregivers.

Description: Currently there are situations where a family has made arrangements with a relative to serve as a "placement" for a child because the biological parent or the relative caregivers realize that the biological parent is not able to provide the necessary day to day care for the child in a safe manner. There have been times when child protection has gotten involved as the parent is abusing or neglecting their child and either threatening the relative caregiver or disrupting the plan they had made with the relative to be a caregiver for their child.

There are other times when Family Services has filed a Children In Need of Protections and/or Services Petition (CHIPS) and a relative wants to be a placement option, yet unable or unwilling to be a licensed foster home.

When a CHIPS Petition is filed in these situations, courts have transferred temporary physical and legal custody to the relative. The Department of Human Services (DHS) has suggested this practice is not provided for in statute, thus cannot be utilized by families or counties. DHS asserts that there are concerns that counties will utilize a transfer of physical and legal custody to a relative in order to avoid foster care payments. However, a transfer of temporary physical and legal custody to a relative is a less restrictive alternative that protects the

child, maintains the child's stability, and provides the relative with the ability to make day-to-day decisions for the child while the parent complies with the child protection plan. There are appropriate relative resources that cannot or do not want to be a licensed foster home, yet need the protections of the court to prevent the parent from fleeing with the child.

There is nothing in current statute or rule prohibiting the practice, yet DHS continues to assert that it is not an appropriate alternative. Encoding it into the statute and rule would affirm this practice and support families in providing for the safety and welfare of their relative children.

Goal #2: To create statute that supports and confirms the practice of transferring temporary physical and legal custody to a relative as a least restrictive, best interest alternative to foster care.

Description: KCFS has developed forms that indicate that the relative caregiver has received information regarding their rights to foster care and the licensing process, but that the caregiver does not elect to go through that process at this time. This form further indicates that the relative caregiver has the option at any time to request that KCFS begin the foster care licensing process. KCFS and the Eighth Judicial District Court have authorized a temporary transfer of physical and legal custody to a relative in order to provide for the safety, permanency and well-being of the children. As long as the appropriate protections are in place, a transfer of physical and legal custody to a relative is best practice to ensure stability and continuity of care for the children in the child welfare system, while protecting the rights of all involved.

Additional support: U.S. Supreme Court ~ Miller v. Youakim, 440 U.S. 125 (1979).

- ♦ Congress' overriding goal is to provide the best available care for all dependent children removed from their homes
- ♦ Department of Health, Education and Welfare (HEW) interpreted the national policy in §401 of the Act to "encourage the care of dependent children in their own homes or in the homes of relatives." 431 F. Supp. At 44.
- ♦ Definition of foster home should not exclude relative homes—far from excluding related caretakers, the statute should use the broadest possible language when referring to the home of foster parents
- ♦ Congressional intent to constrict the broad statutory definition of "foster family home"
- ♦ Had congress intended to exclude related foster

parents from the definition of "foster family home" it presumably would have done so explicitly

- ♦ Goal of safeguarding intact family units from unnecessary upheaval
- ♦ Protecting the integrity of established family units by mandating judicial approval of a State's decision to remove a child obviously is a goal that embraces all neglected children, regardless of who the ultimate caretaker may be
- ♦ Congress authorized an approval procedure as an alternative to actual licensing of "foster family homes" evidencing it's understanding that related foster homes are appropriate
- ♦ Goal is to assure that the most appropriate substitute care be given for dependent children
- ♦ The need arises from the status of the child as a subject of prior neglect, not from the status of the foster parent
 - ⇒ Although this case addresses eligibility for AFDC and was considering this issue from a fiscal basis, the underlying public policy and congressional goals are consistent with the alternative of relative placement as an alternative to foster care

Other Public Policy Arguments:

- ♦ Placing children with relatives should be preferred because
 - ⇒ Whenever appropriate, the parent or family's plan should be supported so long as safe for the child
 - ⇒ Families are more likely to "buy into" the plan and
 - ⇒ Parents will feel more comfortable knowing where their children are, who is caring for them, and that it is a home they are familiar with
 - ⇒ It is less traumatic for a child to go to a relatives care than to a stranger foster home
 - ⇒ Some of the relative options may not be able to pass licensing requirements due to prior criminal convictions, many of which do not impact the risk of harm to the child and should not exclude a family member from meeting the child's needs

This would prevent multiple placements and disruption for children as relative placements are currently preferred and required for permanent placements for children. If children can immediately be placed with a relative during the reunification process, they would have more stability

Affected Statute/Rule: MSA §260C, Minnesota Rules of Juvenile Protection Procedure

Relative Statues/Rules:

MSA §260C.007/18 (does not prohibit relatives, and does not require they be licensed)

"Foster care" means 24 hour substitute care for children placed away from their parents or guardian and for whom a responsible social services agency has placement and care responsibility. "Foster care" includes, but is not limited to, placement in foster family homes, foster homes of relatives, group homes, emergency shelters, and residential facilities not excluded in this subdivision, child care institutions, and pre-adoptive homes. A child is in foster care under this definition regardless of whether the facility is licensed and payments are made for the cost of care. Nothing in this definition creates any authority to place a child in a home or facility that is required to be licensed which is not licensed. "Foster care" does not include placement in any of the following facilities: hospitals, inpatient chemical dependency treatment facilities, facilities that are primarily for delinquent children, any corrections facility or program within a particular correction's facility not meeting requirements for title IV-E facilities as determined by the commissioner, facilities to which a child is committed under the provision of chapter 253B, forestry camps, or jails. Foster care is intended to provide for a child's safety or to access treatment. Foster care must not be used as a punishment or consequence for a child's behavior.

MSA § 260C.201/11 (provides it as a permanent option, why not a temporary one?)

(d) If the child is not returned to the home, the court must order one of the following dispositions:

- (1) Permanent legal and physical custody to a relative in the best interests of the child according to the following conditions:
 - (i) an order for transfer of permanent legal and physical custody to a relative shall only be made after the court has reviewed the suitability of the prospective legal and physical custodian;
 - (ii) in transferring permanent legal and physical custody to a relative, the juvenile court shall follow the standards applicable under this chapter and chapter 260, and the procedures set out in the juvenile court rules;
 - (iii) an order establishing permanent legal and physical custody under this subdivision must be filed with the family court;
 - (iv) a transfer of legal and physical custody includes responsibility for the protection, education, care, and control of the child and

decision making on behalf of the child;

- (v) the social services agency may bring a petition or motion naming a fit and willing relative as a proposed permanent legal and physical custodian. The commissioner of human services shall annually prepare for counties information that must be given to proposed custodians about their legal rights and obligations as custodians together with information on financial and medical benefits for which the child is eligible; and
- (vi) the juvenile court may maintain jurisdiction over the responsible social services agency, the parents or guardian of the child, the child, and the permanent legal and physical custodian for purposes of ensuring appropriate services are delivered to the child and permanent legal custodian or for the purpose of ensuring conditions ordered by the court related to the care and custody of the child are met;

MSA §260C.209/5 (No licensing requirements indicated)

The responsible social services agency may obtain household members' criminal history and the history of maltreatment of a child or adult and use the history to assess whether putting the child in the household would endanger the child's health, safety, or welfare and to assess the suitability of a relative prior to an emergency placement. This assessment does not substitute for the background study required under chapter 245C and does not supersede requirements related to emergency placement under section 245A.035.

MSA §260C.212/2 (Best interest analysis requires consideration of relationships)

(a) The policy of the state of Minnesota is to ensure that the child's best interests are met by requiring an individualized determination of the needs of the child and of how the selected placement will serve the needs of the child being placed. The authorized child-placing agency shall place a child, released by court order or by voluntary release by the parent or parents, in a family foster home selected by considering placement with relatives and important friends in the following order:

- (1) with an individual who is related to the child by blood, marriage, or adoption; or
 - (2) with an individual who is an important friend with whom the child has resided or had significant contact.
- (b) Among the factors the agency shall consider in determining the needs of the child are the following:
- (7) the child's relationship to current

caretakers, parents, siblings, and relatives;
(e) Except for emergency placement as provided for in section 245A.035, a completed background study is required under section 245C.08 before the approval of a foster placement in a related or unrelated home (does not require license).

MSA §260C.212/5 (requires relative search and appears to encourage/favor relative placement—just need to add to the front end of placement, not wait for permanency, and no indication of licensing requirement)

(a) The responsible social services agency shall exercise due diligence to identify and notify adult relatives prior to placement or within 30 days after the child's removal from the parent. The county agency shall consider placement with a relative under subdivision 2 without delay. The relative search required by this section shall be reasonable and comprehensive in scope and may last up to six months or until a fit and willing relative is identified. The relative search required by this section shall include both maternal relatives of the child and paternal relatives of the child, if paternity is adjudicated.

MSA §260C.215/1(1) (no longer need to search once relative is located)

Minnesota Rules of Juvenile Protection Procedure

22.01 Participant Status

Unless already a party, participants to a juvenile protection matter shall include:

(f) relatives or other persons providing care for the child and other relatives who request notice;

22.02/2 Rights of Participants

Notwithstanding subdivision 1, any foster parent, pre-adoptive parent, relative providing care for the child, or relative to whom the responsible social services agency recommends transfer of permanent legal and physical custody of the child shall have a right to be heard in any hearing regarding the child. Any other relative may request an opportunity to be heard. This subdivision does not require that a foster parent, pre-adoptive parent, or relative providing care for the child be made a party to the matter. Each party and the county attorney shall be provided an opportunity to respond to any presentation by a foster parent, pre-adoptive parent, or relative.

41.05/2 Disposition Order

(2) Transfer Legal and Physical Custody to Agency. Transfer legal custody to a child-placing

agency or the responsible social services agency, which shall have legal responsibility for the child's placement in foster care, including making an individualized determination of how the particular placement is in the child's best interests using the consideration for relatives and the best interest factors in MSA §260C.212/2(b).

42.07 Transfer of Permanent Legal and Physical Custody to a Relative

Subdivision 1 Order.

The court may order transfer of permanent legal and physical custody to a fit and willing relative pursuant to MSA §260C.201/11(d) (1).

Subdivision 5 Voluntary Transfer of Custody.

A parent or legal custodian may voluntarily agree to transfer permanent legal and physical custody of the child to a fit and willing relative by either filing a petition to transfer permanent legal and physical custody pursuant to Rule 33.01 and establishing that such transfer is in the child's best interests under Minnesota Statutes, section 260C.201, subdivision 11, or by entering an admission to such a petition filed by another party and stating, under oath, that the parent or legal custodian believes such a transfer is in the child's best interests and establishes good cause for the transfer on the record before the court.

Subdivision 7 Review for a Child Who's Relative Has Permanent Legal & Physical Custody.

When the court orders transfer of permanent legal and physical custody to a relative under this Rule, the court may retain jurisdiction over the responsible social services agency, the parents or guardian of the child, the child, and the permanent legal and physical custodian. The court may conduct reviews at such frequency as the court determines will serve the child's best interests for the purpose of ensuring:

(a) appropriate services are delivered to the child and the permanent legal and physical custodian; or

(b) conditions ordered by the court relating to the care and custody of the child are met.

Consequence of No Change: The Department of Human Services will continue to challenge the use of this option as a temporary placement and force counties to require

relatives to become licensed, or if the relative is unable or unwilling to be licensed to move the children into non-relative licensed foster homes. This is incongruent with the permanency preferences.

Fiscal Impact: Potentially could save state and county/taxpayer dollars for lengthy foster care placements.

MSSA Proposed Action/Solution: Support legislative changes to statute and the Minnesota Rules of Juvenile Protection Procedure to specifically support and authorize the practice of transferring temporary physical and legal custody of children to relatives.

12. Prohibit Smoking in Non-family Child Foster Care Homes and in Vehicles When Transporting Children

Description: Secondhand smoke causes serious health problems. The US Surgeon General has concluded that there is no risk-free level of secondhand smoke exposure. Even brief exposures can be harmful. Foster care parents should not smoke inside the house or in vehicles when transporting foster children.

Secondhand smoke contains at least 250 chemicals known to be toxic, including more than 50 that can cause cancer. Children are particularly vulnerable to the harmful effects of secondhand smoke due to their smaller, immature, and developing organs. According to the Centers for Disease Control and Prevention, children's exposure to secondhand smoke causes:

- ♦ Sudden infant death syndrome
- ♦ Acute respiratory infections
- ♦ Ear problems
- ♦ More frequent and severe asthma attacks
- ♦ Delayed lung growth

Due to exposure to secondhand smoke, in the U.S. there are an annual excess:

- ♦ 430 deaths from SIDS
- ♦ 790,000 doctor visits for otitis media infections in children
- ♦ 202,300 episodes of asthma in children
- ♦ 24,500 excess low-weight births

A smoker's home may have secondhand smoke contaminant levels that are on average 30 times higher than a non-smoker's home. In a private car, hazardous levels of these contaminants are generated from smoking a single cigarette for only five minutes. At least 16 states prohibit smoking inside the child foster care home.

Consequence of No Change: Children in placement will continue to be exposed to secondhand smoke and to be at higher risk for poor health consequences.

MSSA Proposed Action/Solution: Enact statewide legislation to prohibit smoking inside non-family child foster care homes and in vehicles when transporting foster children.

13. Minnesota Youth Program

Description: Youth in the State of Minnesota (14-21 years old) have one of the highest unemployment rates in the state (with youth of color having the highest unemployment rate). Many of these youth do not have the education, training, or job experience to enter the job market currently.

Consequence of No Change: Youth will not acquire positive work habits and job skills so therefore will continue to be unemployed, unproductive, and have a higher probability of homelessness, hopelessness, and criminal activity.

Fiscal Impact: Will increase cost for state budget for the short term, however the long-term fiscal impact will be positive as more youth are employed which places them in the income tax system and makes them productive.

MSSA Proposed Action/Solution: Increase funding for the Minnesota Youth Program so more unemployed youth can receive employment and training services.

14. Provide Stable and Sufficient State Funding for Family Home Visiting Programs

Description: Home visiting programs address the State's responsibility to provide basic protections and support when families are at risk or are not able to provide basic and essential developmental support. Home visiting for at-risk families is a proven and efficient means of investing in the self-sufficiency, health, and well-being of families, and of avoiding high-cost remedial programming required when children are neglected and abused. Families who have voluntarily engaged in quality home visiting programs which include the involvement of public health nurses, show patterns of improved school readiness, higher employment rates and lower public assistance utilization. Because child abuse and neglect rates are lowered, emergency health and health care problems are minimized. Additionally, special education, out-of-home placements, and correction services are also lower for at-risk families receiving home visits.

Starting in 2000, the State has annually allocated TANF (Temporary Assistance to Needy Families) reserve funds to support Family Home Visiting programs. This funding source has been insufficient and unreliable. Base funding from the State's general fund is essential for supporting ongoing effective Family Home Visiting programs.

Consequence of No Change: State funding for Family Home Visiting programs will continue to be insufficient and unreliable. The availability of these programs will continue to vary county by county. The social and financial benefits of these programs will go unrealized.

Fiscal Impact: More State revenue will be needed.

MSSA Proposed Action/Solution: The Legislature should provide adequate base funding for Family Home Visiting programs from the State's general fund. There should be no punitive Maintenance of Effort (MOE) requirements for counties who have developed their own home visiting programs using county dollars.

15. Zero to Three (zero includes pre-natal)

Description: Chronic stress and other adverse experiences in the first years of life interfere with brain development and affect other bodily systems, impairing physical and mental health in ways that persist far into adulthood and can result in lifelong impairments. Avoiding and minimizing chronic stress and other adverse early experiences can better prepare kids for school, healthy development, and success in life. High costs of mental health, child welfare, and juvenile justice system involvement as well as costs of chronic conditions later in life can be reduced by implementing proven prevention and intervention strategies.

Developments in neuroscience prove that, during the first three years of life, the human brain undergoes unparalleled growth, when trillions of brain cell connections are made. Sturdy brain architecture developed in the first three years of life fosters achievement of a broad range of skills and learning capacities and success in school. Strengthening the foundations of health in the prenatal and early childhood periods can significantly decrease chronic disease and thereby reduce later health care costs.

When poverty is coupled with other risk factors, children can often experience chaotic and unstable environments that cause chronic stress, damaging the developing brain and other biological systems. Child neglect cases often include these kinds of environments. Research-based practices and promising practices that reduce chronic stress and foster healthy parent-child relationships can avoid or reduce these adverse consequences. Home visiting models such as the Metro Alliance for Healthy Families and the Nurse-Family Partnership are nationally recognized evidence based practices that should be supported.

MSSA Proposed Action/Solution: Support expanded statewide funding for research based family home visiting for at-risk families newborns and young children.

Not limited to one model, but inclusive to all current ones and potential models.

Support efforts that foster nurturing parent-child relationships starting prenatally and extending through at least age 3 and minimize factors that contribute to chronic stress.

16. Department of Corrections (DOC) Investigate Child Maltreatment in DOC Facilities

Description: MN Statute 626.556, Subdivision 3c states "the county local welfare agency is the agency responsible for assessing or investigating allegations of maltreatment in juvenile correctional facilities licensed under section 241.021 located in the local welfare agency's county."

Local welfare agencies are considered the expert in investigating family settings and have an established process for investigating child foster care and child care family settings, not residential facilities. Conducting residential investigations in correctional facilities requires an expert approach due to the complex factors to be addressed. MN Statute 626.556, Subdivision 10e, paragraph (i), outlines factors for consideration when conducting a facility investigation. In determining who is responsible for the maltreatment, the Statute states, "the investigating agency shall consider at least the following mitigating factors: (1) whether the actions of the facility or the individual caregivers were according to and followed the terms of an erroneous physician order, prescription, individual care plan, or directive;.... (2) comparative responsibility between the facility, other caregivers, and requirements placed on an employee, including the facility's compliance with regulatory standards and the adequacy of facility policies and procedures, facility training, an individual's participation in the training, the caregiver's supervision, and facility staffing levels and the scope of the individual employee's authority and discretion; and (3) whether the facility or individual followed professional standards in exercising professional judgment."

Mitigating factor 1: A judgment must be made whether or not an "erroneous physical order, prescription, individual care plan, or directive" occurred. Bachelor's level trained child protection social workers do not have the expertise, training, or qualifications to decide what is considered a mistake by a medical doctor, medical nurse, or a therapist.

Mitigating factor 2: The Department of Corrections, who is responsible for licensing the facilities, is better suited to investigate child maltreatment reports in their own facilities. Thus, deciding what policies or procedures are

adequate, what is adequate training, what the level of worker participation is considered adequate, and what should the scope of an employee's authority and discretion be.

Mitigating factor 3: Typically, a professional Board (e.g. Board of Social Work, MN State Bar Association, and MN Board of Medical Practice) decides the professional standards of their professional and has the authority to decide whether or not professional standards were followed. County child protection social workers do not have the expertise or qualifications to make these kinds of determinations.

Consistency in determinations, objectivity in conducting investigations, the kinds of determinations required, and the administrative reconsideration process are four other reasons for DOC to conduct maltreatment investigations. In some rural areas the number of reports received on a facility is infrequent. As a consequence, consistency and expertise are lacking when it comes to conducting an investigation. Having DOC, an expert in correctional facilities, complete all the facility investigations would ensure consistency to the residents and their parents as well as to the facility owner and employees of the facility.

Local child protection workers may place a child at a local correctional facility, thus, removing the objectivity necessary in conducting a maltreatment investigation. DOC would not have a vested interest in the outcome of the investigation, whereas, the local agency could. DOC would ensure the fairness of the investigation to the residents and their parents, facility owner and employees.

Local agencies are required to determine if services are needed. Typically, the services are provided by the agency in the county in which the family resides. In the case of facilities, the DOC facility would be the receiver of services. The local social service agency is not the appropriate agency to provide services to a DOC juvenile facility.

The administrative process for reconsideration of maltreatment determinations is different for juvenile residential facilities. Residential facilities licensed through Department of Human Services (DHS) request their reconsiderations through DHS. DOC juvenile facilities licensed through DOC request their reconsideration through the local social service agency. Having investigations of DOC residential facilities conducted by a state agency would provide a consistent appeals process for all residential settings regardless of what state agency issues the license.

Affected Statute(s)/Rule(s): MN Statute 626.556, Subdivision 3c & MN Statute 626.556, Subdivision 10b – 10i

Consequence of No Change:

- ♦ Alleged child victims and their parents, residential facility owners and employees will continue to receive investigations conducted by county social workers who are not trained in all the various rules, Statutes, medical procedures, medication regimens, behavioral and mental health therapies, professional standards, and other factors considered in conducting a thorough investigation.
- ♦ Juvenile correctional facilities may not be provided an objective investigation.
- ♦ Any recommendations for services will continue to not be followed or enforced.
- ♦ The owner, employees, residents, residents' parents, and any "interested party" of correctional residential facilities will continue to be subjected to a different appeals process from other residential facilities in MN.

Fiscal Impact: Cost to the state, savings to the county.

MSSA Proposed Action/Solution: The responsibility of investigating child maltreatment allegations in DOC licensed juvenile facilities shall be with the Department of Corrections.

17. Affordable Automobile Coverage for Foster Youth

Description: Youth placed in licensed child foster care find many barriers to operating a motor vehicle, both while learning to drive and when they have a driver's license. Young drivers may not be able to operate vehicles owned by the foster care provider due to concerns by the provider that they may not be covered by the providers' insurance or that the options or premiums to add foster care youth onto the providers' policy may not be available or affordable. As a result, the youth may not learn to drive or not be permitted to drive even when they have a valid driver's license. These youth may lose out on acquiring or improving an important skill that is necessary in our mobile society. The MN Licensing Act 245A.10 is silent on the important issues.

According to studies <http://www.msnbc.com/id/18843767/site/newsweek/> youthful drivers as a whole experience a higher rate of accidents than the general population. Youth placed in child foster care experience a wide variety of responses when they ask to use the foster family's vehicle to either learn to drive or to drive when they have a license. Family foster care

providers have all of the usual decisions when it comes to youth learning to drive or when they have a driver's license pulse a few more. Some of those decisions are "is the youth mature enough to drive", "is the youth able to make good decisions, "what car will the youth be able to use if she/he has a drivers license", "who pays for the extra gas, increased insurance cost, auto repair, etc." But, it goes further when it comes to making sure that the foster care youth is properly covered under someone's auto insurance. Some foster care providers have taken the rout of, "if the foster child is licensed and mature enough to use the family car, they can." This decision comes at the risk of some financial liability and higher auto premiums. Foster care providers may choose to not permit a foster youth to operate their car under any circumstances. Other providers may allow the foster youth to buy their own car and work to earn money to pay the bills including the insurance in the youth's name. Finally, providers may assume the youth's bio-parents auto insurance policy will cover if an accident occurs. When providers seek advice from county social services agencies they may be told to talk to their auto insurance agency. There is no Department of Human Services policy of program to rely on to solve this problem.

Affected Statute(s)/ Rules: MN Licensing Act 245A.10, DHS Child Foster Care liability insurance

Consequences of No Change: Presently, family foster providers have to choose between assuming financial liability of allowing a youth in their care to drive or not allow any driving. Due to the lack of a state-wide program or policy, increase liability on the part of the foster parent and the county may result if they allow the youth to drive or if no driving is allowed, youth in long term foster care may not have an opportunity to acquire needed skills to become an experience, safe driver. Counties will have to assume a reactive role when bad things happen as opposed to directing providers to use a systematic proactive approach when approached by youth seeking to drive. For youth in long term care in non-metro counties, having a driver's license/ability to drive is critical to the attainment of other independent living skills such as employment, exploring higher education options, and searching for housing. Without the opportunity to drive, these youth are ill prepared for making a successful transition to independent living.

Fiscal Impact: Modest cost to the State

MSSA Proposed Action/Solution: MSSA supports legislation to instruct the Commissioner of Human Services and Commerce to develop an affordable automobile insurance solution for youthful drivers (or

learners) who are placed with licensed child foster care providers . This would enable social services and licensing staff to direct interested child foster care providers to the proper resources. Youth in foster care could drive under specific conditions, if permitted by the provider, and providers could be largely shielded from personal financial hardship as a result of a child in foster care being allowed to drive.

18. Change the Definition of "Relative" to include Siblings Adopted by Non-relative Family and/or Adoptive Families Who have Adopted Half or Full Siblings of Child to be Placed in Foster Care or for Adoption

Description: Current Minnesota Statutes do not include non-relative adoptive families with children who are half or full siblings of children considered for placement, in the definition of "relative". However, MN Statute 259.57, subd.2 (c) states, "whenever possible, siblings should be placed together unless it is determined not to be in the best interest of a sibling."

Affected Statute(s)/Rule(s): For purposes of placement MN Statute 260C.007, subd. 27 defines relative as " a person related to the child by blood, marriage, or adoption, or an individual who is an important friend with whom the child has resided or had significant contact". This is under the Child Protection provision of the Juvenile Court Act. MN Statute 259.57, subd. 2 (c) requires that in reviewing adoptive placement the court shall consider placement consistent with the child's best interest and in the following order, with (1) a relative or relatives of the child, or (2) an important friend with whom the child has resided or had significant contact. For purposes of section 259.57, a relative includes "a person related to the child by blood, marriage, or adoption."

Consequence of No Change: Children in the child welfare system in the state of Minnesota who are languishing in foster care, may be missing the opportunity to be adopted into families that contain biological siblings to these children.

Fiscal Impact: None known.

MSSA Proposed Action/Solution: The statute definitions of relative should include biological full or half siblings placed in adoptive families to allow these children to grow up together in the same family setting.

19. Allow Technology Assisted Face-to-Face Visits

Description: Allow use of Technology (ITV, Webcam, etc) to fulfill face-to-face requirements for visits of children in residential and/or Group Home placements.

With the primary worker having two face-to-face and one electronic technology visits per quarter. MSSA would propose to request state legislators to lobby Federal HS to change for a waiver for these requirements.

Consequence of No Change: Increase in cost due to worker time and travel expense.

Fiscal Impact: No Fiscal Impact to state and cost savings to the counties.

MSSA Proposed Action/Solution: Unless child welfare is fully funded by the State of Minnesota we should allow use of HIPPA/Data Privacy compliant technology (ITV, Webcam, etc) or policy to fulfill face-to-face requirements for visits of children in residential and/or Group Home placements. With the primary worker having two face-to-face and one electronic technology visits per quarter, MSSA supports legislation that permits a change to state requirements for face-to-face contact.

20. Allow Technology Assisted Visits for Child Welfare Targeted Case Management

Description: Social Workers are required to meet with children in out-of-home placement, face-to-face, one time per month. For children placed 60 or more miles from the county in which they are receiving services, Child Welfare Targeted Case Management legislation requires the first month's visit be face-to-face, and allows the following two month's visits to be completed via phone contact.

The utilization of other forms of technology assisted communication, such as Skype or webcam, can provide a deeper level of communication than phone, but is not a Child Welfare Targeted Case Management approved method for completing monthly visits.

Affected Statute(s) / Rule(s): Child and Family Services Improvement Act PL 109-288

Consequence of No Change: Social Workers will continue to utilize the phone for visits when the utilization of video conferencing, through Skype or webcam, could provide better communication between a child and their social worker.

Fiscal Impact: None.

MSSA Proposed Action / Solution: For children placed 60 or more miles from the county in which they are receiving services, modify Child Welfare Targeted Case Management legislation to require the first month's social worker visit be face-to-face, and allow the

following two month's visits to be conducted via phone or video conferencing, such as webcam or Skype.

CHEMICAL DEPENDENCY

21. Chemical Use Assessment Timeline of Ten Consecutive Days

Description: The redesign of the Chemical Health/ Chemical Use Assessments and related statutes set the time line for completion of the assessment at 10 consecutive days. This does not allow for appropriate time to gather the collateral contact information that may or may not impact the treatment decisions. The duty of the counties is to get people that need treatment, into a treatment facility. Some assessors were not completing the assessments in a timely manner and that is not good practice.

Affected Statute(s)/Rule(s): 9530.6615 Subpart 1b

Consequence of No Change: Continuation of a system that does not allow appropriate time to reach collateral contacts and rushes treatment decisions.

Fiscal Impact: None

MSSA Proposed Action/Solution: The appropriate solution is to repeal the 10 consecutive days and change the timeline to a minimum of 10 working days.

22. Chemical Dependency Funding – Detoxification Charges

Description: In Chapter 254A.08 subdivision 1, the state established the following mandate: "Every county board shall provide detoxification services for drug dependent person." In the past through public policy the state recognized its responsibility to fund a significant portion of this state mandate. However, over time the state eliminated funding and the mandate has become an unfunded state mandate. Detoxification costs are the responsibility of the county where the person is located and transported to a detoxification center with no regard to the county of residence. These detoxification costs are becoming a burden on county budgets and local property taxpayers as the state continues this unfunded mandate.

Affected Statutes or Rule: Until 1979, Minnesota Statute 254A.08, Subdivision 3 established the public policy of state funding of detoxification services up to 75% of the cost.

Consequences of No Change: Counties and their local property taxpayers will continue to be required to fund this unfunded state mandate.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: MSSA supports the reinstatement of the public policy of the state sharing in the cost of state mandated detoxification services.

MENTAL HEALTH

23. Repeal the Mental Health Maintenance of Effort (MOE) Requirement Imposed on Counties by the State

Description: Counties are required to maintain a level of expenditures for both adult and children's mental health services. This Maintenance of Effort (MOE) requirement is based on historic spending by each county, such that the amount a county must continue to spend varies widely across the state. In those counties that had very high mental health expenditures – either due to unusually high mental health needs or due to progressive programming by the county to deliver services to a broader population – the MOE is particularly burdensome.

Counties should not be locked into spending the specific programs based on historic outlays. Need for services change, as does the availability of local funds. Given the steady, deep cuts in the overall human services funding from the Federal and State Governments in recent years, counties need to have increased – not decreased – flexibility in their human service budgets.

Affected Statute(s)/Rule(s): 245.494, 245.714, 245.4835, 254B.02-.03

Consequence of No Change: County property taxpayers will continue to bear the burden of funding state mandated services at the expense of other local services for children, families, and the elderly.

Fiscal Impact: This is budget neutral to the State.

MSSA Proposed Action/Solution: Repeal the Mental Health Maintenance of Effort (MOE) requirement imposed on counties by the State for adult and children's mental health services.

24. Increased Community Placement Options for Clients with Mentally Ill & Dangerous Commitments

Description: Increase funding for community placements for clients with MI&D civil commitments, such as develop unique housing options for such patients, increase DHS outreach to placements/providers for

Mentally Ill & Dangerous clients.

Consequence of No Change: Patients will be unable to discharge to the community and will have to remain in state facilities that cost \$400-700 per day; overcrowding in state facilities, increased length of stay, decreased quality of life for clients unable to return to the community.

Fiscal Impact: Decreased state costs, increased productivity of clients

MSSA Proposed Action/Solution: MSSA should advocate for funding for increased community placement options for institutionalized clients with Mentally Ill & Dangerous diagnosis.

25. County of Financial Responsibility and Time Excluded Service

Description: County of financial responsibility for payment of services and arranging for case management in Child Protective Services and Mental Health shall remain with the original county of financial responsibility until court involvement is terminated or change of venue.

Affected Statute(s)/Rule(s): MN Statutes 256.G

Consequence of No Change: Lack of consistency in services and programming; concerns about disruption of services and payment for services

Fiscal Impact: Costly for clients and counties and lots of disputes about who should pay

MSSA Proposed Action/Solution: DHS and County Committee to study, update, and revise statutes addressing time excluded services and how they intersect with county of financial responsibility.

26. Decrease the County Share of Costs for all Civil Commitments (especially Sex Offenders and Mentally Ill & Dangerous)

Description: County share of commitment costs continue to increase, while county authority is decreasing; counties have no control over hospitalizations or discharges and the costs of both.

Affected Statute(s)/Rule(s): 79

Consequence of No Change: Continued burden to counties and local tax payers. Costs of hospitalizations in small counties can swamp county budgets with the end result of staff being laid off.

Fiscal Impact: Increased cost to state rather than to local tax payers.

MSSA Proposed Action/Solution: Advocate for mandated timely discharge planning between state operated services and county social services to reduce county costs while still providing client-centered services.

27. TXT4LIFE – Use Of New Media To Reduce Suicide Rates in Minnesota

Description: Suicide rates in Minnesota continue to be unacceptably high among all age groups. The traditional use of “hotlines” has not addressed the evolving methods that many people, especially younger Minnesotans, use to reach out for help. Middle and high school students rarely used the available 800# from the National Suicide Prevention Lifeline. The use of “Text Messaging” to immediately connect with crisis counselors is yielding much higher use of emergency services. Coupled with suicide prevention training, focused marketing of emergency numbers and getting emergency contacts saved in cell phones and other new media devices, the threshold for connecting during a suicidal crisis is lowered and more people get the needed help.

Consequence of No Change: The current suicide rate in Minnesota may continue to remain unacceptably high, especially among young people who utilize newer media and aren’t able to connect to the help they need.

Fiscal Impact: Cost per Minnesota student is very low; accessible to most students and Minnesota residents that have access to cell phones/texting or are able to use the better advertised 800# if texting is unavailable.

MSSA Proposed Action/Solution: Fund the expansion of the text message/new media suicide prevention service currently available in the Northeast quarter of Minnesota to allow for statewide access. Support the training within schools/communities to encourage use of available service.

MINNESOTA FAMILY INVESTMENT PROGRAM (MFIP)

28. Establish the Same Minnesota Family Investment Program (MFIP) Disqualification for Drug Felons

Description: Currently when persons are disqualified from MFIP due to fraud or intentional program violations the adult recipients in the case do not continue to receive benefits but are still subject to cooperation with employment services and their 60 month “clock” limitation continues to count. But adult members of

households that are disqualified due to failing multiple drug tests due to being a drug felon are removed from the case. They do not have to cooperate with employment services and the children in the case can continue to receive MFIP for as long as they remain income and asset eligible and meet the definition of an eligible minor child.

Affected Statute(s)/Rule(s): CM0011.30 60 month lifetime limit, CM 0011.27.03 Drug Felons, TE 02.08.169 MFIP IPV Fraud Disqualification

Consequence of No Change: Some households are being treated differently than others and results in the family not being assisted to reach self sufficiency. Disqualified drug felon adults basically have no time limits to MFIP with other families are limited to 60 months.

Fiscal Impact: A cost savings in limiting all families to the same eligibility period and in addition by assisting the families to self sufficiency some families wouldn’t need the full allowed time frame.

MSSA Proposed Action/Solution: Disqualification under the MFIP program, no matter what the reason for the disqualification should result in the same penalty for all households – adult disqualified members are removed but still required to cooperate with employment services and remain limited to the 60 month of eligibility.

29. Establish the Same Ten Day Sanction Rules for Coordination of Employment Services (ES) & Financial Services (FS) as the Food Support Employment Rules (FSET)

Description: Minnesota Family Investment Program participants are required to have an employment plan. They need to follow this plan to continue to receive their full benefits. When the employment plan is not followed (for instance, they are not looking for employment) a Notice of Intent to Sanction is sent to the participant. The participant has 10 days to respond and come in to compliance with their employment plan. If they do not respond or comply with their Notice of Intent to Sanction, their financial worker is notified, and they are given another ten days to comply by the financial assistance unit. So a client has a minimum of 20 days to comply. If the non-compliance status does not happen before the last 10 days before the next month’s benefits are issued, the participant receives their full benefits for another month. When a sanction is imposed there is a reduction in benefits to the participant. Participants do not go into a sanction soon enough, which causes a negative impact on our Federal Participation Rates. A client has twenty days to comply. Currently the FSET and DWP Intent to Sanction is a ten day notice, and action is

taken immediately after the ten days, not twenty days like MFIP.

Consequence of No Change: Sanction change would save the county dollars on MFIP grants due to reduced benefits to the MFIP sooner. The state would also save money by increasing the participation rate.

Fiscal Impact: The change would not increase costs to the state. If the change is not imposed, there would be additional costs to the state and county.

MSSA Proposed Action/Solution: Establish the same ten-day sanction notification for Coordination of Employment Services (ES) and Financial Services (FS) as FSET and DWP programs.

30. Post Secondary School Attendance Verification

Description: Current Minnesota Family Investment Program (MFIP) regulations state that if you are on MFIP and going to college, you must turn in school attendance verification/hours every two weeks.

Consequence of No Change: Currently college students receiving MFIP have to try to get their professors/college advisors to sign off on their attendance on a biweekly basis. This is a challenge to the student plus a demeaning label that need not exist to show compliance.

Fiscal Impact: None

MSSA Proposed Action/Solution: To allow MFIP college students to turn in their grades to verify GPA of 2.0 or above and school schedule as acceptable ways to verify attendance and hourly compliance, following the Workforce Investment Act Guidelines and Federal Financial Aid.

31. Work Participation Rate for Minnesota Family Investment Program (MFIP) Recipients Receiving Food Portion Only

Description: Minnesota Family Investment Program (MFIP) clients who have earnings that make them ineligible for a cash portion of the MFIP benefit should remain eligible to be included in the Work Participation Rate requirements. These clients are still working with Employment Services and earning income in unsubsidized employment. They are meeting the basic requirements of the Work Participation Rate, but are not allowed to be included in that rate due to non-receipt of an MFIP cash portion due to that income received.

They should be included in Work Participation Rate because these are the clients that will prove the effectiveness of this program. They are succeeding and

working their way off the program through employment. The MFIP program is based on helping clients to succeed so that they can graduate to independence. Penalizing the counties by not including these clients in the Work Participation Rate is ineffective.

Consequence of No Change: Counties will continue to be penalized for not meeting the Work Participation Rate when the clients really are succeeding at but choosing to stay on the MFIP program.

MSSA Proposed Action/Solution: MFIP families who lose their cash portion, but remain on MFIP food portion only, to be included in the work participation rate.

32. Securing the Safety Net

Description: The federal welfare reforms of 1996 established Temporary Assistance for Needy Families (TANF) the main purpose of which is successfully moving families from public assistance to self-sufficiency. Minnesota's TANF program, the Minnesota Family Investment Program (MFIP), has had substantial success in reducing the number of welfare recipients. As caseloads declined there has been diversion of TANF funding from the program while the work of MFIP has become more complex with the addition of the Diversionary Work Program (DWP) and Family Stabilization Services (FSS). With the persisting economic stress, caseloads are rising and program resources are strained at a time of increasing need. In order to assure continuing support for families in need and for the services deployed to assist these families to self-sufficiency, MSSA supports stability in funding to the MFIP program and increased flexibility in the application of funding.

Through time, the funding base for MFIP has remained static while the program has grown in complexity with the addition of programs, DWP and FSS, and requirements such as universal participation, all of which require more effort and staff resources from counties. Meanwhile, the costs of administering the program (salaries, IT costs, and compliance functions) have increased each year.

This burden on counties was worsened by the 2009-enacted reduction of the MFIP Consolidated Fund appropriation for state fiscal years 2010 and 2011 which resulted in a reduction of Federal Financial Participation (FFP) to counties to below the 50% provided by the federal government. MSSA supports maintaining FFP at the full federal level and maintaining the MFIP Consolidated Fund at the restored level of funding, i.e. the level prior to the 2009 reduction.

To ease the financial burden on counties, MSSA supports allowing counties to increase the administrative cap for employment services with adequate justification. In general MSSA supports great flexibility in the use of the consolidated fund such as increased flexibility to contract with community partners to provide services. A service may be simplified and better coordinated by contracting with a community agency, for example contracting for Emergency Assistance, which is often used to meet utility needs, with a provider of the Low Income Home Energy Assistance Program (LIHEAP).

For years the MFIP benefit has been allowed to erode in the face of inflation and has been reduced by expansion of what is considered income and shorted by the lowering the MFIP exit level. MSSA supports maintaining financial support of MFIP families at current levels, without further reduction.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: MSSA supports:

- ♦ The maintenance of current benefit levels MFIP families.
- ♦ Maintenance of the MFIP consolidated fund at the current level.
- ♦ Greater flexibility to contract with community partner to assist with services such as emergency assistance.
- ♦ The maintenance of Federal Financial Participation paid to counties at the full federal level.

DISABILITIES

33. County of Financial Responsibility is the Lead Agency for MNCHOICES

Description: The Department of Human Services is stating the MNCHOICES assessment tool will be implemented July 1, 2012. MNCHOICES Frequently Asked Questions document states the Lead Agency as defined in MN Statute 256B.0911 subdivision 1a, paragraph d will be responsible for implement of MNCHOICES. The same statutes states "The team (Long-Term Care Consultation Team) is responsible for providing long-term care consultation services for all persons located in the county", MN Statute 256B.0911 subdivision 3 (B). If MNCHOICES is implemented based on the current MN Statute 256B it would result in transfer of responsibility for a significant number of assessments and reassessments from the County of Financial Responsibility to County of Service/Residence.

Affected Statute(s) / Rule(s): 256.0911 subdivision 3 (b)

Consequence of No Change: Regional Service Center counties will have significant increase in the number of assessment completed annually resulting in a need for more personnel and supporting infrastructure mid budget year for counties. Non service center counties likely would have a reduce need for personnel and supporting infrastructure.

Fiscal Impact: Unknown as the payment method for MNCHOICES has not been determined

MSSA Proposed Action / Solution: County of Financial Responsibility not the County of Service or County of Residence will be the Lead Agency for MNCHOICES

34. Community Alternatives for Disabled Individuals (CADI) Waiver Recipients Determined Eligible for Waiver Services prior to January 1, 2012 will Remain Eligible Under a Grandfather Clause to the New Nursing Facility Level of Care criteria Effective July 1, 2012

Description: The Department of Human Services in 2010 estimates that 3% or approximately 458 recipients will no longer be eligible for Nursing Home Level of Care as of July 1, 2012. The recipients will remain eligible for Medicaid Home Care Services but will not be eligible for Independent Living Services or Prevocational /Supported Employment funded under the CADI Waiver. Many of these recipients are dependent on their CADI services to remain independent in their communities.

Alternative service options such as SILS or CSP State Grants Programs are very limited and may not have available funding for new recipients due to reductions. As a result these recipients unlikely to secure an alternative funding source for these core life services.

Affected Statute(s)/Rule(s): Minnesota Statute 144.0724 Subdivision 11

Consequence of No Change: Disabled persons put at risk in our communities potentially resulting in vulnerable adult situations such as homelessness, hunger, and mental health hospitalizations.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: CADI RECIPIENTS DETERMINED ELIGIBLE before January 1, 2012, WILL be grandfathered in to the N/F LOC criteria effective July 1, 2012.

35. Consumer Directed Community Support (CDCS) Budgets Determinations are Subject to County Waiver Management Policy and not an Entitlement

Description: Currently DHS policy states that a waiver

recipient that has selected the service of Consumer Directed Community Support Services is entitled to the full annual budget amount determined by MMIS II/ Waiver Budget Methodology. This policy results in counties inability to manage their aggregate DD waiver budgets and plan for the anticipated and unanticipated needs of all waiver recipients. Waiver recipients receiving traditional DD waiver services authorizations are limited within county allowable budgets and are not an entitlement. But a recipient on the Consumer Directed Community Supports service cannot have their budget limited to less than the annual budget amount or, be reduced even if it impairs the ability of the county to meet the needs of all DD waiver recipients.

Affected Statute(s)/Rule(s): Minn. Stat. §256B.0915, subd. 8 (c), Minn. Stat. §256B.0916 Subd. 6 (a), (c) and Minn. Stat. §256B.49, subd. 16 (c), (e)

Consequence of No Change: This policy results in unequal access to wavier services for all DD waiver consumers as county aggregate pools continue to shrink due to funding limits set by the legislature

MSSA Proposed Action / Solution: CDCS budgets are subject to county waiver management policy limits to allow for equal access to service authorization for all DD waiver recipients. Consumers are not entitled to include costs for services up to the annual CDCS budget amount.

36. Modification in Intermediate Care Facilities for the Mental Retardation (ICFs/MR) 20% Cost of Share Legislation

Description: July 1, 2004, counties become responsible to pay 20% of the State share of a consumers ICF/MR and DT&H placement costs for those consumers living in seven-plus bed facilities for more than 90 days. No specific rational or Federal guideline has been given by the Department of Human Services on why the number of beds was selected at six or less. Many facilities are downsizing beyond the necessary number to ensure private bedroom arrangements for consumers. Due to the sun setting of Rule 53 and fixed costs, the facilities will have difficulty financially due to the restriction on the number of consumers they can serve. Any remaining rate adjustment or variable rate options were eliminated or suspended by the Governor's unallotment action in 2009.

Many of the facilities would be able to serve 8 or 10 consumers in private bedrooms and would result in greater financial stability for the ICF/MR. In addition, these facilities are unable to provide respite services to counties because a licensed bed utilized solely for respite is still considered in the bed count for the cost of share

legislation. Due to the limitations on new MR/RC waiver allocations and restrictions on the aggregate MR/RC funding pool counties need to maintain limited ICF/MR resources to serve consumers. Therefore, it is in the best interest of some counties to prevent closure of an ICF/ MR facility.

Affected Statute(s)/Rule(s): MN Statute 2002, section 256B, Subd. 1 (3), MN Statute 2002, section 256B.5013 subd.7

Consequence of No Change: A number of small ICF/MR providers in counties may be unable to financially continue to provide services due to limited reimbursement (lower number of beds) and fixed costs resulting in closure. This would further limit cost-effective resources available to counties to serve MR/RC consumers. The ability to serve respite consumers in a licensed bed, excluded from MN Statute 256B.5013, would give the facility more financial stability and allow counties to utilize this resource for crisis respite

Fiscal Impact: Yes

MSSA Proposed Action/Solution:

1. Amend MN Statute 256B.19 Subd.1 (3) to read nine or more beds.
2. Amend MN Statute 256B.5013 subd.7 to read that a licensed ICF/MR bed designated for respite under this section would be exempt from MN Statute 256B.19 Subd.1 (3) or the purpose of determining county cost of share.

37. Inequity for Adults under 65 with Retirement, Survivors, Disability Income (RSDI) & Income Limits

Description: Adults with disabilities are penalized if receiving Retirement, Survivors, Disability Income (RSDI) and having income over the MA limit; they are required to spend down to 75% of the income standard.

Consequence of No Change: Persons with a high disability income cannot afford to pay a high monthly spend down and may be refused needed medical care and/or prescriptions.

Fiscal Impact: Yes, to the State

MSSA Proposed Action/Solution: Change the spend-down, so adults under 65, on RSDI disability, would only have to spend-down to the income standard rather than 75% of the standard.

38. Employment for Those with Disabilities

Description: Whereas unemployment among persons with disabilities is higher than among the general

population, and, Whereas county tax based funding had supported many job programs for persons with disabilities, and , Whereas those funds have now been cut due to budget issues, Therefore be it resolved that a new priority be given in the State Legislature to funding job programs for persons with disabilities

Consequence of No Change: Persons with disabilities will continue to be unemployed in increasingly larger numbers

Fiscal Impact: More employment taxes collected, more useful employment experiences, lower costs for welfare assistance, future client access to RSDI funds.

MSSA Proposed Action/Solution: Advocate for increased funding for employment services for persons with disabilities.

39. Rule 185 Re-write Cost Neutral Position Extended to Counties

Description: The rewrite of Rule 185 Department's proposal would change the responsible county of service to persons with Developmental Disabilities from the County of Financial Responsibility to the county where their services are delivered. This would result in massive movement from one county to another county of Rule 185 eligible consumers especially impacting Region Service Centers such as Moorhead, Willmar, Mankato, etc. In Kandiyohi County alone this proposal, would result in an increase of 250+ cases from 52 Counties of Financial Responsibility.

Affected Statute(s)/Rule(s): Minnesota Statute 256B and Rule 9525.004 to 9525.0032

Consequence of No Change: Potential negative impact on DD Consumers due to the lack of funding to support the infrastructure needed to serve large numbers of cases at Regional Centers and the loss of vested case managers at Counties of Financial Responsibility.

Fiscal Impact: Rule 185 is currently an unfunded mandate. The transfer of the cost of this unfunded mandate to service rich counties would create disproportional impact on local tax payers in these Regional Service Centers.

This change would require staff hiring, infrastructure modifications (office space, computers), financial support for SILS Grant (30% county share), extended employment, commitments, and case management for non Medical Assistance eligible consumers; even if the Department provides means to cover the non reimbursable administrative costs of the Developmental

Disabilities Waiver and assessment (MN CHOICES).

MSSA Proposed Action/Solution: MSSA oppose the re-write of Rule 185, and takes the position if it passes, that it must be cost neutral at the State, County level, and without creating financial disparity to regional service centers.

ADULT FOSTER CARE

40. Adult Foster Care (AFC) Moratorium

Description: If one of the four consumers in an Adult Foster Care program leaves the facility or program the host county must report that development to the DHS licenser who will immediately reduce the program's license capacity from 4 to 3 permanently. This language was added by legislators at the late hour to the health and human services bill under the language of the 2009 moratorium. The language was not reviewed by consumer advocacy agencies, DHS, providers, counties or others.

Affected Statute(s)/Rule(s): 245A.03 Section 4 Subdivision 7

Consequence of No Change: As a result the program's revenue will be reduced 25% permanently. The host county has no authority or recourse in the decision process. No new consumer can be admitted. Even when a program is at the full capacity of four, it still is a struggle to keep them going. Many organizations will be forced to give notice of discharge in preparation to close their doors. The remaining consumers would have to move out being, uprooted from their homes and even quite possibly their home community. Moving into other private corporate foster care programs would not be an option. If they are not happy with their current provider, they are unable to move without an open bed to relocate. Many staff would lose their jobs. This could certainly create a crisis for counties trying to place individuals that need care. It will result in more hospitalizations, and crisis placements which are more costly to the state and counties. This will result in increased reliance on other systems including the criminal justice system, hospital ER's when services are not available for persons with a mental health diagnosis. More importantly for individuals with a mental health diagnosis, more restrictive environments would be their options for treatment and less consumer choice.

Fiscal Impact: Costs associated with crisis placements and hospitalizations will certainly result in increased costs associated with the mental health services. MN unemployment costs will increase, as we experience a significant decline in Health care jobs. Increased costs associated with families who lose their income will rely

more heavily on financial assistance programs.

MSSA Proposed Action/Solution: The AFC Moratorium language should be stricken from the 2009 passed legislation, allowing host counties to maintain their licensed beds and not require the Division of Licensing of the Department of Human Services to revoke a licensed bed from a provider.

41. Adult Foster Care (AFC) Provider Rate Cuts

Description: The first is the Provider Rate and Grant provision reduces rates and grants to providers for most programs. It is effective September 1, 2011, by (-1.5%) Decrease

The second is that around 3,600 people with disabilities living in foster care settings were determined to be “low needs.” Consequently, their rates will be cut by 10%.

Affected Statute(s)/Rule(s): (Article 7, Sections 44.45 and 51).

Consequence of No Change: The cuts make it even more difficult to operate a AFC program with the already stretched budgets of providers. The increased costs associated with cost of living and decreased funding to keep up with these increased costs of living, make it difficult for providers to sustain programs providing care to some of MN most vulnerable individuals. 60-70% of the budgets cover direct support staff wages and benefits to work directly with vulnerable individuals that care for consumers of these programs. Cutting funding makes retention, recruitment and training of quality staff an even bigger obstacle. This also impacts the persons living in the home by having less resources to enhance their quality of life and offer improved quality of services.

Fiscal Impact: The budget has already been determined, so fiscal changes are not likely to be addressed by the legislature. However, it should definitely be included in the agenda that the non-balanced approach to managing the state budget and further provider rate and grant cuts directly impact some of MN’s most vulnerable citizens.

MSSA Proposed Action/Solution: Request the state to reconsider the provider rate and grant cuts to a 0% decrease.

GROUP RESIDENTIAL HOUSING (GRH)

42. Inequity for Group Residential Housing (GRH) Residents

Description: A person with income over the Special Income Standard Elderly Waiver who resides in a Group Residential Housing (GRH) unit must spend down their

income to 75% of the Federal Poverty Guidelines. This leaves the person with \$89 in personal needs allowance to pay their medical and drug copayments.

A person with SSI income standard who receives GRH payments, has disregards that amount to \$114 personal needs to pay those copayments.

A person within the Special Income Standard has to spend down to \$816 - 100% Federal Poverty Guidelines. That person has \$263 left to pay copayments after paying for his own room and board.

Example: A person with	
\$2,600	net monthly income:
(677)	income standard
<u>(258)</u>	remedial care deduction
\$1,269	spend down

He pays \$737 room and board plus \$1,181 toward waived services and has \$82 left over for personal needs.

A person with	
\$1,000	net monthly income:
(\$903)	income standard
<u>(\$258)</u>	remedial care deduction
\$0	spend down

He pays \$737 room and board and has \$263 left over for personal needs.

A person with \$637 SSI standard gets MA with no spend down and receives a GRH grant to help pay room and board. He pays \$509 toward his own room and aboard. He gets \$102 for personal needs plus the \$12 community alliance for copayments.

The person who has income over the Special Income Standard for EW does not receive any additional disregards to help pay his medical copayments. In many cases he has to continue to deplete his remaining assets or rely on family to pay the copayments.

Affected Statute(s)/Rule(s): MN 256B.0915 Subd 1d

Consequence of No Change: Persons with high income according to SIS-EW standards continue to have difficulty paying their medical copayments and could conceivably have to do without medication.

MSSA Proposed Action/Solution: Require that everyone on Elderly Waivered service be allowed to use the 100% FPG standard as their income standard.

43. Increase Personal Needs for Group Residential Housing (GRH) Residents

Description: Incentive is needed to encourage people to convert from and avoid institutionalization. Increase minimum personal needs allowance from a minimum of \$89.00 to a minimum of \$139.00 for those living in a GRH with income at or under 75% of federal poverty guidelines (Supplemental Security Income -SSI/Federal Benefit Rate-FBR).

Consequence of No Change: Over use of nursing facilities. Penalty to county funds for the 20% of under 65 nursing home residents who could manage in the community.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: Establish an income limit applicable to GRH residents, such as 75% Federal Poverty Guidelines (FPG) Social Security Income/Federal Benefit Rate (SSI/FBR) to determine personal needs amount.

44. Adjustment to Group Residential Housing (GRH) Grant as Client Begins Paying Rep Payee Fee

Description: Current status is when a client is in a GRH there is no mechanism for the GRH grant to be adjusted to compensate for a rep payee fee (\$32/mo) – when a client goes into a GRH with this fee already in place the GRH grant will then allow the deduction.

Affected Statute(s)/Rule(s): M.S 256I.03

Consequence of No Change: The fee will be taken out of the client's personal needs money. This is an inequity for those clients when rep payee has been established.

Fiscal Impact: Yes, Slight

MSSA Proposed Action/Solution: Adjustment to GRH grant when client begins paying rep payee fee.

45. County Share of Certain Nursing Facility Stays

Description: Laws of Minnesota (2002, Chapter 220, Article 14, Section 7) state that beginning January 1, 2003 counties pay 20% of the nonfederal share of costs for disabled individuals under 65 who remain in nursing facilities for over 90 days.

From a fiscal standpoint, in the early 1990's, counties collectively reached an agreement with the state to trade Homestead Agricultural Credit Aid (HACA) dollars in exchange for state funding of income maintenance programs, including Medical Assistance. For the state to establish a county share for nursing home costs for certain individuals reverses the agreement that was negotiated in good faith by both parties and enacted

with the intent of reforming human services funding streams.

Beyond fiscal consideration, best practice and legal precedent dictate that consumers with disabilities receive treatment in the least restrictive environment possible. Consumers in hospice care and those with a Case Mix rating of F-K generally require a level of care that requires the safety inherent in highly regulated health facilities. This elevated treatment includes high-cost services and equipment. It is extremely difficult to maintain these individuals cost-effectively in community-based services while ensuring their health and safety. Counties should not be held financially responsible to move these individuals into community settings. In actual fact, it creates a fiscal incentive in direct conflict with Consumer Choice along with mandates in the areas of legal, practice, and safety issues.

Affected Statute(s)/Rule(s): Minnesota Statutes 256B.19 subd. 1

Consequence of No Change: This will result in the redirection of local County financial resources and a possible need to increase levies to pay for nursing home costs for these individuals. These are resources that are needed to pay for mandated services not funded by MA. Case Management revenues that might have going toward service development and enhancement will now be used for nursing facility payments. This could potentially result in lower quality of provision of long-term care services due to higher caseloads and more 65+ consumers waiting for services.

Fiscal Impact: Cost to State

MSSA Proposed Action/Solution: MSSA supports the repeal of the statutory provision requiring a county share of nursing facility costs. If this cost share remains in place, MSSA supports exceptions to this provision consistent with legal, best practice, and safety considerations. County financial participation should be removed for a nursing facility resident who meets any of the following criteria: receiving hospice care; receiving relocation service coordination; expresses a desire to remain in the facility (consistent with the Olmstead decision), in spite of County offers of alternative placements; a resident of a Nursing Facility/Institution of Mental Disease or Rehabilitation Nursing Facility; or, is a Case Mix F-K (or similar levels under the new case mix system effective October 2002). County responsibility for the lower case mixes A-E should be phased in over a period of two years, allowing for development of resources to ensure quality provision of care during the relocation process.

46. Guardian or Conservator Fees Allowance Under Group Residential Housing (GRH)

Description: As the State of Minnesota continues the de-institutionalization of services into the community the appointment of a guardian to maintain these consumers in the community has increased. In addition, appointment of a guardian is considered a less restrictive option than commitment. (MN Statute 253B.09 Decision; Standard of Proof; Duration)

How to pay professional guardians for persons without family members has become one of the greatest challenges to counties. Often the only option is county payment of the service. In many counties this is the fastest growing county levy budget item. Guardianship or conservator services are not a mandated social service program.

Persons with only a mental health or physical disability diagnosis cannot be made a Ward of the State, nor is there any other public payment mechanism of reimbursement of guardianship services, if they reside in Group Residential Housing facility. Almost all the residential home and community based services under the long term care waivers are licensed and receive Group Residential Housing payments. If the resident has guardian appointed after they enter a GRH facility the current statute does not allow any guardian or conservator allowance.

The State of Minnesota has a responsibility to assist in the support of those consumers who are now diverted from institutional settings or relocated from those setting. Group Residential Housing is a State funded program and would be an appropriate funding source for the guardianship or conservator services.

Affected Statute(s)/Rule(s): MN Statute 256I.03 Subd. 5 and MN Statute 256D.44 Subd. 5

Consequence of No Change: Increased commitments and slower relocation of mental health consumers to the community as county budgets are no longer able to provide this non mandated service.

Fiscal Impact: Yes, GRH budget

MSSA Proposed Action/Solution: Amend the following Statutes:

256I.03 Subd. 5 “MSA Equivalent rate”
(4) A fee for guardian or conservator service is allowed at a reasonable rate negotiated by the county or approved by the court. This rate shall not exceed five percent of

the assistance unit’s gross monthly income up to a maximum of \$100 per month.

The MSA equivalent rate is to be adjusted on the first day of July each year to reflect changes in any of the components rates under clauses (1) to (4).

256d. 44 Subd. 5 special needs

In addition to the state standards of assistance established in subdivision 1 to 4, payments are allowed for the following special needs of recipients of Minnesota Supplemental Aid who are not residents of a nursing home or a regional treatment center or a group residential housing facility.

WAIVER

47. Waiver Services Reform

Description: The Medicaid waivers need to be simplified to allow for cost efficiencies. These waivers include the Alternative Care/Elderly Waiver (AC/EW), Community Alternative Care Waiver (CAC), the Community Alternatives for Disabled Individuals Waiver (CADI), the Traumatic Brain Injury Waiver (TBI) and the Waiver for persons with Developmental Disabilities (MR/RC). Simplification can occur through decreased administrative requirements and updated technology. In addition, access to the Medicaid waivers needs to be examined to identify whether or not the services provided to individuals are fair and equitable both within a particular waiver and between the various waivers. We believe there needs to be balance of services for all persons eligible.

Minnesota began its use of Medicaid dollars to fund services to persons with disabilities in the mid-1980s. One of the pressures at the time included a law suit, brought against the State that demanded de-institutionalization for persons who were developmentally disabled and living in state facilities. Thus was the birth of what is now called the Developmental Disabilities Waiver. The Center for Medicaid Services (CMS) allowed the State of MN to utilize dollars to pay for non-medical services that would otherwise have gone to institutions. This also meant that housing became a separate service with its own pay source.

Given the increasing costs of nursing facility care, a similar, but separate, program was initiated for elderly persons who were at risk of moving to a nursing facility when their needs could be met in their own homes or in alternative community settings such as smaller foster care homes. Because many of this population already owned their own homes, the cost to MA was greatly

decreased when housing was no longer a cost as it is in Nursing Facilities (NF).

Following success, the state began requesting waivers for other populations. This included the CADI for persons under the age of 65 but at risk of needing nursing facility level services. Next, the CAC waiver was developed for those persons at risk of hospital level care. Last, the two TBI waivers were developed for individuals at risk of neurobehavioral hospital level of care and/or nursing facility level of care. Other straight MA services continued to be available but needed to be merged with the waiver services budgets. (Examples of these include Personal Care Assistance (PCA), Home Health Aide Services (HHA), and Homemaker).

While these waiver programs were each designed for a specific target population other disability groups, such as persons with mental illness, are now able to access services also. The concern remains that while access was allowed, the programs were not adapted to particular needs of this population.

For various reasons, the waiver programs grew in diverse directions (i.e.: different DHS Managers, stronger advocacy groups, size of population served, nuances to the certain groups served, creativity of counties, evolution of providers, and an 'open enrollment' period in the MR/RC waiver).

The result is that we have programs that have been developed, each with their own criteria and requirements that are very difficult to manage due to their extreme complexity. In large counties entire units have been built around one waiver or another. In smaller counties, the growth in the number of staff needed to fulfill the assessment and case management requirements has been tremendous. This in turn, has led to significant costs for provision of these services but also inequity of what is paid for. While Case Management (CM) is a funded waiver service, the assessment is not. Counties rely on the CM dollars as a supplemental source of revenue to assure adequate staff is available to meet requirements for all services.

As part of the solution, the MnChoices and complementary programs are attempting to streamline these services and eliminate the complexities that have grown out of having programs developed and managed in silos. Simplification is necessary for quality services to continue to be provided.

Fiscal Impact: Cost savings.

MSSA Proposed Action/Solution: MSSA believes there is

much room for fiscal savings by decreasing the complexity of these waiver programs that will result in greater efficiency and cost effectiveness. MSSA supports the following changes:

1. In the area of simplification, the DHS should develop universal processes and standardized forms for counties; health plans, and tribes in the delivery of waivers (administrative simplification)
2. MSSA supports the efforts of the DHS in promoting new programs when aligned with the guiding principles of MSSA.
3. Efforts to look at ways to balance access to services. This could be accomplished by: 1) merging the service menus of the various waiver programs into one common menu to assure that all eligible persons can receive all possible services, regardless of disability type; 2) combining and equalizing the resources of all waivers to eliminate disparities; and 3) eliminating the current concern that persons in a waiver program have all their needs met while those who are eligible, but on a waiting list, are denied access to the waiver resources.
4. Fiscal accountability should be at the administrative planning level and based on individual need as opposed to categorical entitlement.

DHS should evaluate the cost effectiveness of the Options Counseling being done by the Area Agencies on Aging for people considering entry to customized (assisted) living.

48. Case Management Aide for the Developmental Disabilities (DD) Waiver

Description: Case Management Aide (para-professional case management) is allowed in the Community Alternative Care (CAC), Community Alternative for Disabled Individuals (CADI), Brain Injury (BI) – CAC/CADI/BI (CCT) waivers to provide assistance to the case manager in carrying out administrative activities of the case management functions.

In Rule 9525.0012 County Board Case Management Responsibilities, Subpart B (Rule 185) for the DD Waiver it states that the case manager may delegate certain aspects of the case management services activities to another individual with oversight by the case manager. The case manager may not delegate those aspects that require professional judgment including assessment, plan development, and eligibility. The Developmental Disabilities Waiver does not allow reimbursement for a Case Aide to assist the case manager with other case management tasks. The rule requires an initial 40 hours of training and subsequent training annual of 20 hours;

the same annual requirements as a case manager. This level of training is not required for the CCT Para-Professional level of services. Because this additional training is mandated, either the same reimbursement is allowed as the case manager or a similar level of funding as the para-professional case manager in the CCT is allowed.

Affected Statute(s)/Rule(s): MN Statute 256B.49, Subd. 13 8b Case Management; MN Rule 9525.0012, subp. 6

Consequence of No Change: The counties would not receive reimbursement for tasks provided for in the DD Waiver programs that are allowed for the CCT Waivers.

Fiscal Impact: Counties will continue to provide the same case management aide activities for the administrative tasks in both areas, but get no reimbursement for the distinct programs in the DD Waiver clients.

MSSA Proposed Action/Solution: Provide for the DD Waiver Cases Aides with the same reimbursement rate of the case manager.

49. Designated Payee for Payment of Elderly Waiver (EW) Obligations

Description: Some individuals who are on the Elderly Waiver have an extra payment or a "Waiver Obligation". Due to the person's living status in the community or in licensed facilities, multiple services provided, and also complicated by managed care protocols which vary between plans, there is often great confusion as to which one of these entities the payment should go. This causes the client stress, being billed multiple times, and payments often not being paid or not sent to the correct provider, as well as many hours of time essentially wasted by Financial Workers as these people call in to ask help as to "who to pay?". On many levels it would be most cost effective to pass legislation with a designated payee across living arrangements and across managed care protocols, to which one payment would be made by the client, which would then be required to properly disperse the payment so that the proper payment could reach the proper parties, and services could continue to the client unabated.

For these reasons: For facility Elderly Waiver clients (Assisted/Customized Living or Adult Foster Care) who have a monthly waiver obligation, independent of whether the client is on a managed care/health plan or not, the facility should automatically be set up as the designated provider to receive payment of the Waiver Obligation from the client. This presently is the case in Skilled Nursing Facilities for which it works out smoothly. Result would be less confusion/stress for the clients,

payment eventually making it to the correct entity, and less time for the Financial Workers searching thru client data and on the phone explaining to clients and their families.

For community Elderly Waiver clients, living in their own homes, the Financial Worker would work with the Case Manager, again independent of whether the client is on a managed care/health plan or not, to determine if the cost of the client's home care service would meet the client's Waiver Obligation. If so, the home care service provider would be set up as the designated provider to receive payment of the Waiver Obligation from the client.

Consequence of No Change: Without this change, clients will continue to receive bills in different amounts from different providers each month. The elderly client becomes overwhelmed and has a difficult time understanding explanations. Payments to providers can be irregular which might result in lapse of service and continued confusion and disservice to clients.

Fiscal Impact: Without this change many hours or service time is wasted of Financial Workers in responding to calls from clients requiring searching through individual records in determining to whom and how much to each the payments should be made.

MSSA Proposed Action/Solution: For Elderly Waiver clients with a Waiver Obligation, whether or not on managed care, the Waiver Obligation payment recipient will be designated to be either the facility in which the client resides (Assisted/Customized Living or Adult Foster Care Home), or to the primary home care provider of clients who live in their own homes.

50. Increase Rate for 24 Hour Facility/Foster Care Based Respite Care Under the Elderly Waiver (EW) Program

Description of Problem: The Current EW rate for Respite Care is \$137 per day and is not adequate to pay or attract providers to do this service. It also has no considerations for the level of care needed.

Consequences of No Change: There will be limited access to providers for family members who need a break in care giving responsibilities and to prevent burnout.

Fiscal Impact: Yes.

MSSA Proposed Action/Solution: Support an increase in the rate and evaluation of level of care considerations needed in the rate.

51. Waiver to Include Home Delivered Meals in Essential Community Support Grant for Communities Without Title III C Funding

Description: Historical Overview: In 1954, the first Meals on Wheels Programs were started in the United States. The programs were administered locally in each community often with funding provided by local governmental entities, i.e., Cities. In July 1965, Lyndon B Johnson signed the Older Americans Act. The Older Americans Act patterned one of its programs from the Meals on Wheels Program, Home Delivered Meals. One of the conditions of the Older Americans Act was that the Title III C funds could not supplant any current funding from cities or states. The Act requires a community to go two years without home delivered meals service before Title III C funding can be requested to support the discontinued program.

Recipient Cost: Because the Meals on Wheels Program do not have the support of the Older Americans Act, the program charges per meal. A recipient must pay the full price to receive meals. Home Delivered Meal Programs funded under the Older Americans Act have sliding scale which makes recommendations on donations. No qualifying recipient can be denied a meal because they don't donate at the recommended amount based on their income.

Essential Community Support Grants: If the Essential Community Support Grant legislation is implemented, the current State estimate is that 12% of the Alternative Care recipients would no longer meet the Nursing Facility Level of Threshold for the Alternative Care Program. The State option for those seniors will be the Essential Community Support Grant. One service not listed in the legislation is Home Delivered Meals. For seniors in communities with Title III C funding, this will not be an issue because they will be able to continue to receive meals with or without donating, but seniors in Communities without Federal funding they will have to pay the full cost of a home delivered meal. The current per meal cost is \$6.16 with six days a week service, the monthly cost would be approximately \$160.00. For seniors at the lowest income levels on Medical Assistance, the cost could take over 18% of their monthly resources, for only one meal per day.

Affected Statute(s)/Rule(s): House File 1571 Section 39 Sub. 14

Consequence of No Change: It is estimated nationwide that 1 in 9 seniors are at risk of hunger. The meal program provides specialized diets for seniors at health risks of high blood pressure and diabetes. Sometimes

these seniors may not have a four or more Activities of Daily Living Dependency due to having been provided healthy meal services. The delivery of home delivered meals has been a core program to the reduction of health care costs and delaying risk of nursing home placement.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: Allow waivers to Counties with communities not served by Title III C funding to include home delivered meals as a service UNDER ESSENTIAL community Support Grants.

MEDICAL ASSISTANCE

52. Change the Medical Assistance Spend Down for Elderly and Disabled Clients with Excess Income

Description: When elderly or disabled persons are enrolled in Medical Assistance and have income over 100% of the Federal Poverty Guidelines, the standard decreases to 75% of Federal Poverty Guidelines and they are required to medically spend down to that level.

In other words, to be eligible for Medical Assistance clients cannot have a monthly income higher than \$908 (100% of Federal Poverty Guidelines). Clients who exceed this, are required to spend down to \$681. This causes inequity between clients enrolled Medical Assistance.

Consequence of No Change: Continued inequity in monthly incomes for Medical Assistance clients; resulting in very low monthly incomes for some Medical Assistance recipients.

Fiscal Impact: Yes.

MSSA Proposed Action / Solution: Medical Assistance clients whose income is more than 100% of Federal Poverty Guidelines should not be required to spend down to 75% of Federal Poverty Guidelines when other eligible participants earn up to 100% of Federal Poverty Guidelines.

53. Remove Personal Care Attendant Services from List of Excluded Time Services

Description: Excluded time services are services that do not determine the county of financial responsibility; Personal Care Attendant (PCA) services are an Excluded Time Service.

Medical Assistance (MA) clients arrange for MA paid PCA services through their county of residence. As an Excluded Time Service, if a PCA client moves from one

county to another, the county of financial responsibility remains with the county that originally arranged for PCA services until the client has not received PCA services for a full two calendar months. The county of financial responsibility is also financially responsible for any additional services the client may need such as case management, county funded respite, etc.

For example, a family living in County A establishes MA paid PCA services for their child. The family is also receiving case management and county funded respite from County A's Social Services due to the child's developmental disability. The family has moved to County B receives PCA services from a provider in County B and wants to continue to receive case management and respite services. Under current law, County A continues to be financially responsible for the child's case management, respite and any other social services that may be needed by this child as long as the child continues to receive PCA services.

This restricts the ability of the client to make a smooth transition to the new county and does not allow for optimum case management as the family could conceivably have multiple case managers—one from County A for the child receiving PCA services and a case manager from County B for other family members who request and are eligible for services.

Many clients are fully maintained in the community with MA paid PCA services; this change would therefore have no financial impact to the current county of residence.

Affected Statute(s)/Rule(s): Minnesota Statutes 256B.0627 Subd 4; 256B.0625 Subd 19a; 256G.02 Subd 4; 256G.02 Subd 6; 256G.07 Subd 1; 256G.10

Consequence of No Change: When a PCA client moves out of the county, the county responsible for establishing PCA services will continue to be responsible to provide any other social services the client may be receiving for an indefinite period of time. This will continue to burden county social workers who spend significant time traveling to the client's current county of residence to provide services.

Families receiving PCA services will be unable to transition fully to their current county of residence, and as a result, may not receive optimum case management due to the involvement of case managers from two different counties.

Fiscal Impact: None.

MSSA Proposed Action / Solution: PCA services should

be removed from the list of Excluded Time Services.

54. Six Month Dental Cleanings for Persons on Medical Assistance

Description: Medical Assistance will only pay for one dental cleaning a year.

Affected Statute(s)/Rule(s): MS 256B.0625 subd. 9

Consequence of No Change: People with disabilities are getting gum disease and their teeth are decaying due to the lack of adequate prophylaxis. This causes increase pain, infection, abscess, and tooth loss. In person with disabilities, this can cause seizures, choking due to lack of ability to chew food, medical problems due to infection, and behavioral problems due to an inability describe to care gives the severe pain in their mouth.

Fiscal Impact: Tooth decay, abscess, and tooth extraction resulting in heart disease, inadequate nutrition, and emotional behavioral problems. There is an increase cost due to more doctor visits, medication costs, and hospitalizations. Later the cost of dentures is expensive.

MSSA Proposed Action / Solution: Medical Assistance funding for dental prophylaxis every 6 months.

55. Increase Payments for Dental Care

Description: Minnesota needs to pay dentists the cost of the service, to entice more dentists to sign up as it currently costs them more money to service the client than what they receive for payment.

Consequence of No Change: Dental care is not being provided. Also costs to bring client to a dentist (4 hrs away) could be recouped in savings from the costs of the transportation.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: To ensure that more dentists will accept MA participants, Minnesota should increase payments to cover the full cost of the dental services that are provided.

56. Standard Billing Process for County Provided Health Services

Description: Several claim categories are becoming part of the benefit set for which health plans are responsible. Health plans are contracting with counties to provide some of these services and counties then need to bill multiple plans for payment of these services. Because

there is not a standardized methodology/format used by all counties, SSIS is not currently able to interface with health plans to allow for direct billing to these health plans.

As the State of Minnesota moves to require private health plans to assume responsibility for an expanded benefit set, previously part of the Medical Assistance/ Minnesota Care benefit set, a great deal of additional time and effort is being expended by counties that provide these services to their constituents. In this time of reduced budgets and calls for redesigning and simplifying government services, we should be maximizing the use of our state information technology systems such as SSIS to simplify functions such as billing. As more services are shifted to Minnesota health plans, utilizing the identical billing format as that used by MMIS will allow local government to spend more of their resources meeting the needs of local citizens and less meeting the varying needs of the billing departments of health plans.

Fiscal Impact: Current non-standardized authorization and billing conventions mean increased costs to counties and potential for increased errors due to inconsistency of billing processes among health plans.

SSIS costs: SSIS is already programmed to use the MMIS billing format and to use EDI transactions for claims submission (837), claims acknowledgement (997) and remittance advice (835) so that is not an additional cost. Additional costs would include programming the capability to include prior authorizations from health plans, direct a claim to a particular health plan instead of MMIS and the capability to accept claims acknowledgement, status and remittance advice from a health plan. Note: SSIS currently uses a specialized claim status transaction from MMIS that provides more detail than the EDI claim status transaction.

MSSA Proposed Action/Solution: DHS will require all Minnesota health plans to accept a billing format identical to that accepted by MMIS from all Minnesota counties for payment of Mental Health Targeted Case Management, Elderly Waiver and other claim categories as added to the benefit set. DHS will make needed changes to the SSIS system to bill health plans for these services.

57. Household Composition and Deeming Rules for Medical Assistance Programs

Description: Eligibility for Medical Assistance programs varies significantly between households of married parents with mutual children versus unmarried parents with mutual children. For example, in a household made up of a married mother, father and mutual children; the

father's income deems (is considered available to) to the mother and the mother's income deems to the father. Both the father and mother's income deems to their two mutual children.

If these parents are domestic partners (not married, but living in the same household as a family unit), the father's income does not deem to the mother and the mother's income does not deem to the father. In households such as this, if either parent is the main wage earner while the other parent works part time or not at all, the later parent is eligible for Medical Assistance. This parent is eligible even if the household income is high enough to make the parent ineligible if they were married. In some instances the parent receiving Medical Assistance is also eligible for their spouse's insurance coverage as a domestic partner, in these cases Medical Assistance may be used to pay for this coverage.

Many households are eligible for Medical Assistance that would not otherwise be due to the fact that the parents remain unmarried.

Consequence of No Change: Households or family units that exceed income guidelines or are eligible for medical insurance as a domestic partner will remain eligible for Medical Assistance.

Fiscal Impact: Cost savings.

MSSA Proposed Action/Solution: Change Medical Assistance eligibility to consider the entire household as one family unit. In a household that consists of an unmarried father, mother and mutual children; income would deem to each other. MA should be similar to other financial programs, such as Food Support which considers the family unit when determining income eligibility. This change however would not apply to any step children living within the household. In addition to the above, insurance companies should be required to offer health coverage to domestic partners.

58. Spousal Impoverishment

Description: Spousal impoverishment guidelines with regard to medical assistance should apply to disabled individuals under 65 years of age. This would allow persons to qualify for home and community based services and avoid nursing home placement.

Affected Statute(s)/Rule(s): MN Interpretation of Medicaid

Consequence of No Change: Destruction of families, as currently divorce is required to qualify individuals who have social security and who need disability home care

services.

Fiscal Impact: Cost savings by avoiding unnecessary Nursing Home placements.

MSSA Proposed Action/Solution: Advocate for change in spousal impoverishment guidelines to include disabled persons under age 65.

PUBLIC HEALTH

59. Elimination of Health Disparities

Description: Significant health condition disparities exist in Minnesota, especially for populations of color, persons in poverty, persons living in unhealthy environments and those experiencing cultural barriers to health care. Disadvantaged populations are at a greater risk of death from cancer, heart disease, diabetes, suicide and HIV/AIDS.

Consequence of No Change: Significant health disparities will continue to exist, negatively impacting specific populations throughout Minnesota.

Fiscal Impact: State funding.

MSSA Proposed Action/Solution: MSSA supports efforts to eliminate health disparities and continued funding of the Minnesota Department of Health's Eliminating Health Disparities Initiative, including additional funding to allow state/local cooperation, enhanced health care access to disadvantaged persons, certification of medical interpreters, the use of culturally-specific health data, and funding for translation services.

ADMINISTRATIVE

60. Priority of State Tax Intercept Claims

Description: Claims for state tax intercepts (Revenue Recapture) were amended in the 2008 Legislative session to prioritize hospital and ambulance debts before county debt, no matter the age of the debt. This reduces the potential to recover debts owed to counties which are needed to support local services and revenues collected by counties on behalf of the State.

The Revenue Recapture law was amended by the 2008 Legislature by the insertion of item number four which puts hospital and ambulance debts before any other debt including debts to counties or the State for detox, foster care, juvenile corrections, public assistance debt (both fraud and non-fraud) and so on, no matter the age of the debt.

270A.10 PRIORITY OF CLAIMS

If two or more debts, in a total amount exceeding the debtor's refund, are submitted for setoff, the priority of payment shall be as follows:

1. delinquent tax obligations of the debtor which are owed to the department;
2. debts for child support based on the order in time in which the commissioner received the debts;
3. payment of restitution obligations;
4. claims brought for a hospital or an ambulance service;
5. the remaining debts based on the order in time in which the commissioner received the debts.

Given the prevalence of unpaid medical bills, the loss to counties and the state can be substantial.

MSSA proposes striking provision number four. Hospital and ambulance claims should not have preference over county debt. This type of claim should return to the category with all other debt and be subject to the order in which the commissioner received it. The county would then have an equal chance at debt recovery based on a first reported/first paid basis.

Fiscal Impact: No cost to the state.

MSSA Proposed Action/Solution: MSSA proposes to the repeal of the special priority claim for hospital and ambulance services for Revenue Recapture. This type of claim should return to the category with all other debt and be subject to the order in which the commissioner received it.

61. Cost of Living Adjustment (COLA) for Direct Service Professionals (DSP)

Description: Direct service professionals serving people with disabilities and the elderly are dependent upon legislative action for cost-of-living increases. The Minnesota State Legislature should enact a three-percent rate increase reflecting a cost of living adjustment to providers of services to people with traumatic brain injury, developmental disabilities, mental health and the elderly

Affected Statute(s)/Rule(s): This proposal would be reflected as enacted law in the Health and Human Services Budget Bill

Consequence of No Change: The prevailing wage of Direct Service Employees is lower than to occupations with less responsibility and has failed to keep pace with inflation. In 2009 DSP's received a COLA reduction of -2.58%, 2010 the COLA was 0% and 2011 was a COLA reduction of 1.5%. The result is a negative impact on

quality services due to high turnover and increased training cost of new employees.

Fiscal Impact: Yes

MSSA Proposed Action/Solution: Legislatively provide a 3% cost-of-living increase for Direct Services Professionals providing services to people with Medicaid Waivers. It should also be directed that the health plans pass a COLA through to providers and through to counties that are providing contract case management services under any of the waivers.

62. Brokerage for Access Transportation Services (ATS)

Description: The 2009 Legislature passed legislation that would prohibit the Minnesota Department of Human Services from contracting with a private vendor to broker Access Transportation Services for people on Medical Assistance going to medical appointments. Subsequent to that legislation, ten counties in the greater metropolitan area continued contracting with a private broker for transportation services. Other counties in outstate areas are considering initiating contracts in their counties. Some transportation providers are against having a single broker handling Access Transportation Services. If counties have the responsibility to provide this service, counties should be given the option of brokering.

Fiscal Impact: No cost to the state.

MSSA Proposed Action/Solution: It would be requested that the legislature not pass any legislation that would prohibit counties from establishing contracts with private companies to broker transportation services. One of the benefits for persons on Medical Assistance is transportation to and from medical appointments. Counties have the responsibility to facilitate this transportation. There are several steps that are part of this process:

- ♦ Ascertain that the person is eligible and where the medical appointment is taking place.
- ♦ Decide what type of transportation should be used. This can range from a person receiving mileage for use of their own vehicle to a taxi or other type of transportation service.
- ♦ Negotiate agreements with public transportation providers within the geographical area of the county that would provide this transportation.
- ♦ Facilitate each transportation event with the client and the transportation provider.
- ♦ Pay the transportation provider for the cost of the transportation and bill the Minnesota Department of Human Services for that cost.

- ♦ Evaluate to ensure there are no fraudulent activities taking place either by the individual or the transportation provider.

The county is then reimbursed 50% of the cost of brokering the transportation. The county is reimbursed 100% of the cost of the transportation. In 2004 the State of Minnesota made a decision to have a private entity assume county responsibility in the eleven-county greater metropolitan area. The Minnesota Department of Human Services issued an RFP and contracted with a private vendor to assume the responsibility of brokerage for counties in the eleven-county greater metropolitan area. There was no cost to those counties for this system. Some of the vendors that had contracts with this private entity were not happy with the vendor and urged the legislature to end this arrangement.

The 2009 Legislature passed legislation prohibiting the Minnesota Department of Human Services from contracting with a private vendor for ATS brokerage. The responsibility was then put back on counties with less than a two-month notice. The state did save between \$2 and \$3 million, and this cost was then shifted to the counties. Ten of the eleven counties have chosen to continue contracting with the same vendor the state was using. An RFP was issued in January 2010, and the counties continued with the same vendor after that RFP. The eleven counties have real benefits by contracting with a private vendor. If the counties were given this responsibility back, they would have to assume these functions:

- ♦ Counties would have to hire additional staff to handle this function.
- ♦ Counties would have to develop computer systems that would track this function.
- ♦ Counties would have to contract with vendors. This is especially important in the metropolitan area where vendors cross county lines and many clients cross counties.
- ♦ The counties would have to have systems set up to detect errors and fraud. Likely, county systems would not be as efficient as the private vendor's system.
- ♦ The counties would have to pay for the rides and handle the financial transactions that would occur, which would have a significant increase in cash flow and additional work for counties.

Counties that have an existing contract within the metropolitan area should be able to continue their contract with the vendor, and other counties should have the right to contract with a vendor if it best meets their needs.

OUR MISSION

*to provide leadership to
enhance the lives of
Minnesotans by supporting
diversity, impacting public
policy, educating and
communicating among
human service professionals.*

Who We Represent

In addition to the 3300+ individual members we represent, the following are agency members of MSSA:

- ♦ 180 Degrees, Inc.
- ♦ Adult Resident Community Home LLC
- ♦ Aeon
- ♦ AFSCME Local 34
- ♦ AFSCME MN Council 5
- ♦ Aitkin County Health and Human Services
- ♦ All Home Health Inc.
- ♦ Anoka County Human Services
- ♦ Association of Minnesota Social Service Accountants
- ♦ Association of Minnesota Social Service Supervisors
- ♦ Augsburg College
- ♦ Becker County Social Services
- ♦ Beltrami County Health & Human Services
- ♦ Benton County Human Services
- ♦ Big Stone County Family Service Center
- ♦ Blue Cross Blue Shield of MN
- ♦ Brown County Family Services
- ♦ Capstone Services/Tandem Residential
- ♦ Carlton County Public Health and Human Services
- ♦ Carver County Community Social Services
- ♦ Catholic Charities-Archdiocese of St. Paul and Minneapolis
- ♦ CCP Case Management
- ♦ Central MN Jobs & Training Services
- ♦ Chippewa County Family Services
- ♦ Chisago County Health & Human Services
- ♦ City of Bloomington Human Services Division
- ♦ Clay County Social Services
- ♦ College of St. Scholastica - Social Work
- ♦ Community Involvement Programs
- ♦ Concordia College
- ♦ Cook County Public Health and Human Services
- ♦ CornerHouse
- ♦ Cottonwood County Family Service Agency
- ♦ Counseling Services of Southern MN
- ♦ Country Services, Inc.
- ♦ Dungarvin Minnesota LLC
- ♦ ElderCare Rights Alliance
- ♦ Episcopal Community Services
- ♦ Family Connect
- ♦ Family Focus
- ♦ Fernbrook Family Center
- ♦ Freeborn County Department of Human Services
- ♦ Friendship Ventures
- ♦ Genesis II for Families
- ♦ Gerard Treatment Programs
- ♦ Grant County Social Services
- ♦ Greater Minnesota Family Services
- ♦ Hammer Residences
- ♦ Heartland Girls Ranch
- ♦ Hennepin County Human Services and Public Health Department
- ♦ HousingLink
- ♦ Howry Residential Services, Inc.
- ♦ Independent Management Services
- ♦ Isanti County Family Services
- ♦ Itasca County Health & Human Services
- ♦ J and J Holmes Inc.
- ♦ Jackson County Human Services
- ♦ Kanabec County Family Services
- ♦ Kandiyohi County Family Service Department
- ♦ Karcher Foster Services Inc.
- ♦ Kittson County Social Services
- ♦ Koochiching County Community Services
- ♦ Lac Qui Parle County Family Services
- ♦ Laura Baker Services Association
- ♦ Le Sueur County DHS
- ♦ Leo A. Hoffmann Center Inc.
- ♦ Lutheran Social Service of Minnesota
- ♦ Marshall County Social Services
- ♦ Mary T. Inc.
- ♦ McLeod County Social Services
- ♦ Meeker County Social Services
- ♦ Meridian Services Inc.
- ♦ Metropolitan Area Agency on Aging
- ♦ Metropolitan State University
- ♦ Migrant Health Service Inc.
- ♦ Mille Lacs Academy
- ♦ Mille Lacs County Community & Veterans Services
- ♦ Minneapolis Urban League
- ♦ Minnesota Department of Human Services
- ♦ Minnesota Financial Workers & Case Aide Association
- ♦ Minnesota Network on Abuse in Later Life
- ♦ Minnesota State University - Moorhead
- ♦ Minnesota State University-Mankato Department of Social Work
- ♦ Minnesota Valley Action Council Inc.
- ♦ MN NEW
- ♦ Model Cities of St. Paul
- ♦ Morrison County Social Services
- ♦ Mount Olivet Rolling Acres
- ♦ MRCI WorkSource
- ♦ Nicollet County Social Services
- ♦ Norman County Social Services
- ♦ North Homes Children & Family Services
- ♦ Northern Habilitative Services (NHS)
- ♦ Northwest Suburban Integration School District
- ♦ Northwestern Mental Health Center
- ♦ Northwood Children's Services
- ♦ Ombudsman Office for MH/DD
- ♦ Open Cities Health Center-Behavioral Health Services
- ♦ Opportunity Manor Inc.
- ♦ OPTIONS Family and Behavior Services
- ♦ Pact 4 Families Collaborative
- ♦ PATH MN Inc.
- ♦ Pennington County Human Services
- ♦ People Incorporated
- ♦ Phyxius Inc.
- ♦ Pine County Department of Health and Human Services
- ♦ Pine Habilitation & Support Employment
- ♦ Pinnacle Services Inc./Summit Fiscal Agency
- ♦ Polk County Social Service Center
- ♦ Pope County Family Service Department
- ♦ PORT INC. Port Group Homes
- ♦ Portico Healthnet
- ♦ Prairie Lakes Youth Programs
- ♦ PrairieCare
- ♦ Provide Care Inc.
- ♦ ProWorks, Inc.
- ♦ Ramsey County Human Services
- ♦ Reach-Up Inc.
- ♦ Red Lake County Social Services
- ♦ Redwood County Human Services
- ♦ REM Minnesota Inc.
- ♦ Renville County Human Services
- ♦ Rice County Social Services
- ♦ Rock County Family Service Agency
- ♦ Rock County Opportunities INC
- ♦ Saint Mary's University of Minnesota
- ♦ Scott County Human Services
- ♦ Second Harvest Heartland
- ♦ Sherburne County Health and Human Services
- ♦ Sheriffs Youth Programs of Minnesota
- ♦ Sibley County Human Services
- ♦ Sioux Trails Mental Health Center
- ♦ Southwest Health and Human Services
- ♦ Southwest Minnesota Private Industry Council
- ♦ St. Cloud State University Department of Social Work
- ♦ St. David's Center for Child and Family Development
- ♦ St. Louis County Public Health & Human Services
- ♦ St. Louis Park Emergency Program
- ♦ Stearns County Human Services
- ♦ Stevens County Human Services
- ♦ Swift County Human Services
- ♦ The Salvation Army
- ♦ Thomas Allen Inc.
- ♦ Thomas J. Apartments
- ♦ Todd County Social Services
- ♦ Traverse County Social Services
- ♦ University of Minnesota School of Social Work
- ♦ Upper Sioux Community
- ♦ Village Ranch Child and Family Services
- ♦ Waseca County Department of Human Services
- ♦ Watonwan County Human Services
- ♦ West Central Regional Juvenile Center
- ♦ White Earth Indian Child Welfare
- ♦ Winona County Department of Human Services
- ♦ Women's Advocates Inc.
- ♦ Woodland Hills
- ♦ Working Well Mental Health Clinics
- ♦ Wright County Human Services
- ♦ Yellow Medicine County Family Services
- ♦ Zumbro House, Inc.